

Company registration number: 1080984  
Charity registration number: 525489

**F H S TRUST LIMITED**  
**(A Company Limited by Guarantee**  
**and not having a share capital)**

**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**F H S TRUST LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2023**

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**F H S TRUST LIMITED**

**YEAR ENDED 31 AUGUST 2023**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered charity name:** F H S Trust Limited

**Charity registration number:** 525489

**Company registration number:** 1080984 (England and Wales)

**Principal address:** 36 St James Crescent  
Swansea  
SA1 6DR

**Registered office:** 36 St James Crescent  
Swansea  
SA1 6DR

**Trustees**

The trustees who served the charity during the period were as follows:-

Mr G M Astley  
Mrs B H Hughes  
Mr D A Rowe  
Mr P H Patel

**Company Secretary:** Mr G M Astley

**Auditors:** Gordon Down and Partners  
144 Walter Road  
Swansea  
SA1 5RW

**Principal Bankers:** Barclays Bank Ltd  
1-6 Pockets Wharf  
Maritime Quarter  
Swansea,  
SA1 3XL

**Solicitors:** Smith Llewellyn Partnership  
18 Princess Way  
City Centre  
Swansea,  
SA1 3LW

# **F H S TRUST LIMITED**

## **TRUSTEES ANNUAL REPORT**

### **YEAR ENDED 31 AUGUST 2023**

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS102)" in preparing the annual report and financial statements of the charity.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing Document**

FHS Trust Limited is a charitable company limited by guarantee incorporated on 9 November 1972 and registered as a charity on 28 March 1973. The company is established under a Memorandum of Association which sets out the objectives and powers of the charitable company and is governed under its Articles of Association. (These memorandum and articles were amended in 2007 and by Special Resolution in 2004.) In the event of the company being wound up members are required to contribute an amount not exceeding £1.

##### **Recruitment and Appointment of Directors**

The directors of the company are also charity trustees for the purposes of charity law. Potential trustees are invited to apply by the existing board members and no person may be admitted unless he or she, is first approved by the board. There is no requirement for the trustees to retire by rotation.

New trustees attend familiarisation meetings with existing trustees and the head teacher. They are provided with copies of school policies and every trustee is encouraged to attend inset training events.

As the work of the charity involves the education of children, trustees are required to undergo a Disclosure and Barring Services check.

##### **Remuneration of key management personnel**

The salaries for key management personnel are the responsibility of the finance committee and they are considered using the pay scales in mainstream education as a benchmark. The Chair of trustees undertakes an annual review with key management.

##### **Decision making**

The day-to-day management of the school is the responsibility of the headteacher and her senior management team. This is carried out under the delegation of powers from the trustees. The details of the delegation are outlined in a document which explains the areas of accountability of the senior management team.

Decisions regarding the strategic management of the school or significant matters affecting the school's operation are made by the trustees, with input from the senior management team.

## **F H S TRUST LIMITED**

### **TRUSTEES ANNUAL REPORT (continued)**

**YEAR ENDED 31 AUGUST 2023**

#### **Organisational Structure**

Trustees are appointed on the basis of various skills which they possess in order to maintain the running of the charity, with such skills ranging from educational to legal and professional.

#### **OBJECTIVES AND ACTIVITIES**

The company's objects and principal activities are to promote and provide for the enhancement of education for children between the ages of 11 to 18 within Swansea and the surrounding area.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Excellent education**

Despite being a non-selective school, Ffynone House School continued its record of achieving superb results at GCSE, AS and A level. Sixth form pupils went on to study a wide range of University courses, including in the most competitive subjects, at top Russell Group universities.

Ffynone House School prides itself on being able to offer a wide range of GCSE and A-Level subjects. At GCSE, pupils can study four optional subjects as well as taking all three science subjects, enabling pupils to retain a broad curriculum, tailored to their strengths and interests. Sixth Form pupils can take up to 4 A levels of their choice as well as being encouraged to complete the Extended Project qualification ("EPQ"). EPQ carries the same UCAS points as an AS subject, but gives each pupil the freedom to research and present upon a topic of their choosing which often assists in university interviews for competitive subjects like Medicine.

Ffynone is one of only a handful of schools in England and Wales at which pupils can learn French and German taught by native speakers, and Latin, all to A level standard. This passion for languages is reflected in the number of Ffynone pupils that were recognised as 2022 Welsh Region champions in the Anthea Bell Prize for Young Translators (run by Queen's College and St Hugh's College Oxford).

Ffynone's thriving science and maths departments continued to enjoy success in the national inter-school Top of the Bench Chemistry competition and national UKMT Maths Challenge, with numerous pupils winning awards, and some qualifying for the elite "Senior Kangaroo" event which helps pupils qualify for the British Mathematical Olympiad.

The school is extremely proud of its Music, Arts and Performing Arts departments. Ffynone's successful orchestra, includes pupils with a wide range of abilities, from those that play in external orchestras including the National Children's Orchestra of Great Britain to those that are just starting to learn an instrument. In 2023 many pupils enjoyed individual success in national art competitions and musicians were able to work towards and perform in live concerts. Over half of the school's pupils joined Ffynone's popular musical theatre company to perform "Oliver" extract from musical productions.

Ffynone House School has invested in Office 365 accounts for all pupils and staff and Teams has become a valuable resource for pupils and classes to work together. If a pupil is not able to attend school physically, they are always able to join live lessons through Teams as staff are adept at blended learning (teaching the same lesson live to a pupil online at the same time as teaching those in the classroom). Keen to embrace pupils' new Office 365 skills, in 2022-23 Ffynone House School purchased numerous Promethean interactive screens which can connect to the school's suite of

**F H S TRUST LIMITED**  
**TRUSTEES ANNUAL REPORT (continued)**  
**YEAR ENDED 31 AUGUST 2023**

touch-screen laptops. The new screens enable pupils to work collaboratively on electronic documents during lessons enhancing their learning. The computers in the ICT lab have also been replaced this year. We have also invested in i-sams replacing the internal engage system but also allowing more effective communication between school and parents which we will be developing further over the next year.

**Enrichment**

Following the success of "TOC" (Time Off Curriculum) in the middle of the school day, we have continued to offer this to our pupils this year. This enables pupils to try new pursuits. It helps students regain their confidence in social settings, hone their team building skills and have lots of fun! TOC activities included eco-warriors, book club, chess, musical theatre, coding and tech clubs, as well as orchestras, musical ensembles, choirs and sporting teams.

**Charitable activities**

Trustees and management firmly believe that engagement with others and charitable activities are beneficial for all. This year pupil-led fundraising has supported Joseph's Smile, Turkey and Syria Earthquake Appeal, Macmillan Cancer Support, Children in Need and Swansea's Mr X Appeal, to provide Christmas presents to children who would otherwise go without. As a charitable trust we continue to help fund able students to attend Ffynone House School.

## **F H S TRUST LIMITED**

### **TRUSTEES ANNUAL REPORT (continued)**

#### **YEAR ENDED 31 AUGUST 2023**

##### **Growth**

Ffynone House School continues to go from strength to strength, with waiting lists for Key Stage 3 for September 2023 and for September 2024. The number of enquiries and deposits for September 2024 and September 2025 indicate the school is likely to have waiting lists in future years too. The school continues to successfully attract students from a wide cross section of primary schools throughout the region.

The number of students is consistent with class sizes of 15-23 students. Small class sizes give students an excellent learning experience yet retain the family environment on which the school was founded.

##### **Teaching and learning**

In keeping with other independent schools in Wales, Ffynone has chosen to follow English specifications rather than Welsh. We believe these curricula better prepare our students for the next stage of their education and facilitate greater mobility of students between England and Wales.

##### **Transport**

The school has two vehicles for home-school transport. At present the school can offer transport across Gower, from the north of Swansea, and from the SA1 Marina area.

##### **IT investment**

In Autumn 2022, we continued to invest in technology and added further Promethean interactive screens and software to enable collaborative work on electronic documents in all subjects. The IT suite was fully supplied with 24 new PCs and monitors. We purchased the i-sams software and invested in staff training.

##### **Facilities**

The school has continued to invest in new projects to enhance pupils' learning experience. During the year, Ffynone has completely refurbished the chemistry laboratory to create a large versatile space for lessons and practical activities.

As part of the school's rolling program of improvement, the school has continued to replace windows on the upper floors and redecorate internal areas throughout the school.

##### **Financial Review**

The financial statements show net resources expended for the year of £283,396 compared to net resources expended of £37,140 in 2022. The decline was as a result of a decrease in income and an increase in bad debts. The principal source of income is school fees accounting for 77% (2022: 78%) of the school's income. The trustees are continuing their strategy of deploying all resources to invest in the educational purposes and fabric of the school. The charity's activities are funded by an overdraft facility and the charity is dependent on the ongoing support of its bank for the renewal of this facility.

**F H S TRUST LIMITED**  
**TRUSTEES ANNUAL REPORT (continued)**  
**YEAR ENDED 31 AUGUST 2023**

**Reserves policy**

Following the change in the business activity in 2012, the trustees agreed to use the reserves generated to fund future school activities. Due to deficits between 2013 and 2022 and the deficit in the current year this has meant that the unrestricted reserves (including revaluation reserves) were in surplus by £705,442 at 31 August 2023 (2022: £788,838). This follows the revaluation of properties, which is explained further in the notes to the accounts. The trustees are working towards generating ongoing surpluses to replenish reserves.

The properties owned by the charity have been revalued and revaluation adjustments have been shown in separate reserves (revaluation reserve and fair value reserve).

**PLANS FOR THE FUTURE**

Ffynone House School regularly conducts surveys on how it can improve the delivery of service to current and potential students. Significant improvements have been made to the school site and this will continue in the future.

In 2023/24 the school plans to invest in new sixth form common rooms and refurbish areas in the main building as well as investing in a new fire alarm system.

We anticipate further growth in pupil numbers year on year.

**PUBLIC BENEFIT**

Ffynone House School remains committed to its founding principle to provide bespoke, day school education within a small, family style environment, for the benefit of families in Swansea. Trustees continue to believe that being a charitable trust is key to that endeavour.

Trustees have complied with their duty in the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission. To this end, fees are set as low as possible so as to benefit all students, whilst meeting the funding requirements of operating the school.

From Spring Term 2023, term fees were as follows: Years 7 & 8 £4,198, Years 9 £4,400, Years 10 & 11 £4,473, Years 12 & 13 £4,494

Means tested bursaries have been made available to a number of pupils in cases of hardship. The school is a non-selective, equal opportunity organisation, with an inclusive ethos based on equality and mutual respect, irrespective of economic status, gender, ethnicity, race, religion or disability.

The school makes its facilities available to local clubs and organisations at marginal cost. Students also participate in a wide range of activities that benefit the local community, including charitable fundraising.



## **F H S TRUST LIMITED**

### **TRUSTEES ANNUAL REPORT (continued)**

**YEAR ENDED 31 AUGUST 2023**

#### **TRUSTEES RISK ASSESSMENT**

The trustees have examined their major strategic business and operations risks they face and confirm systems are in place to mitigate those risks.

Following the agreement with Cognita that saw the Trustees recommence the running of Ffynone House School from 1 September 2012, the Trustees foresee the major risk to be the maintenance of pupil numbers. An extensive programme of advertising, brand awareness and networking in the local communities has been undertaken in an attempt to raise pupil numbers. The Trustees regularly review the financial position to ensure that any appropriate action is taken when required.

A further risk relates to the maintenance of the premises owned by the Trust. They are regularly reviewed and a programme of regular maintenance is followed in an attempt to minimise the need for large-scale repairs.

#### **Responsibilities of the trustees**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

#### **Disclosure of information to the auditors**

We, the trustees (directors) of the company, who hold office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:-

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**F H S TRUST LIMITED**

**TRUSTEES ANNUAL REPORT (continued)**

**YEAR ENDED 31 AUGUST 2023**

**Auditors**

Gordon Down and Partners have expressed their willingness to continue to act as the charitable company's auditors.

This report has been prepared in accordance with the Charities SORP (FRS102): 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 (FRS102) (effective 1 January 2016) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 19/8/2024.

  
**B H Hughes**  
Trustee

  
**P H Patel**  
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2023

**Opinion**

We have audited the financial statements of F H S Trust Limited (the 'charitable company') for the year ended 31 August 2023 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 2023, 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.

**Material uncertainty related to going concern**

We draw attention to Note 19 in the financial statements, which indicates that the charity incurred a deficit balance for the year ended 31<sup>st</sup> August 2023. Also the UK Chancellor has announced that as of 1<sup>st</sup> January 2025, all education services supplied by a private school will be subject to VAT at the rate of 20%. It is unknown what effect this will have on pupil numbers for the coming school year and if this will lead to a downturn in income. These events or conditions, along with other matters as set forth in Note 19, indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Conclusions relating to going concern**

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

Our evaluation of the trustees assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- the trustees identification in the financial statements of the material uncertainty related to the entity's ability to continue as a going concern over a period of at least twelve months from the date when the financial statements are authorised for issue.

## **F H S TRUST LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED**

#### **YEAR ENDED 31 AUGUST 2023 (CONTINUED)**

- Testing the appropriateness of the underlying cash flow forecasts and performing a retrospective review of actual performance to the prior year.
- Reviewing the debt agreements to confirm the terms and conditions and confirm consistent with those used in the trustees going concern assessment.
- Agreeing borrowings as at 31st August 2023 to third party confirmations and considered the charities financing profile. This supported the trustees conclusion that sufficient liquidity headroom remained throughout the assessment period.
- Reviewed the trustees base case and scenarios ensuring the trustees have considered all appropriate factors, including the cash flows, liquidity position and timing of debt repayments.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charities ability to continue as a going concern. We draw attention to note 19 on page 31 of the financial statements.

#### **Other information**

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

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

We have nothing to report in this regard.

#### **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 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:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **F H S TRUST LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED**

**YEAR ENDED 31 AUGUST 2023 (CONTINUED)**

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 7, 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to:

FRS102

Employment law

Tax & pension law

Health & safety

We assessed the risks of material misstatement in respect of fraud as follows:

We inquired with management about the existence of fraud and if there were any unusual transactions or relationships. We also performed various tests on the records to check for misstatement. We did not identify any issues.

We considered the risk of fraud through management override and, in response, we incorporated testing of adjusting entries into our audit approach.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud. We considered the possibility of fraudulent payments to third parties and also looked for segregation of duties.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED**

**YEAR ENDED 31 AUGUST 2023 (CONTINUED)**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Gordon Down & Partners - Statutory Auditor**

**Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006**

**144 Walter Road**

**Swansea**

**SA1 5RW**

**F H S TRUST LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 AUGUST 2023**

		Unrestricted Funds	Total 2023	Total 2022
	Note	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from charitable activities:</b>				
School fees and associated income	2	1,657,806	1,679,227	1,843,641
<b>Activities for generating funds:</b>				
Investment income	3	42,025	42,025	15,296
<b>TOTAL INCOMING RESOURCES</b>		<u>1,699,831</u>	<u>1,721,952</u>	<u>1,858,937</u>
<b>RESOURCES EXPENDED</b>				
<b>Cost of generating funds:</b>				
Charitable activities	4	1,983,227	2,005,348	1,896,077
<b>TOTAL RESOURCES EXPENDED</b>		<u>1,983,227</u>	<u>2,005,348</u>	<u>1,896,077</u>
Net (losses) on investments	15	-	-	-
<b>NET RESOURCES EXPENDED</b>	6	<u>(283,396)</u>	<u>(283,396)</u>	<u>(37,140)</u>
<b>Other recognized gains/(losses)</b>				
Gains/(losses) on revaluation fixed assets	15	200,000	200,000	-
<b>NET MOVEMENT IN FUNDS</b>		<u>(83,396)</u>	<u>(83,396)</u>	<u>(37,140)</u>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	15	788,838	788,838	825,978
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>705,442</u>	<u>705,442</u>	<u>788,838</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses had not been prepared.

All of the above amounts relate to continuing activities.

The notes form part of the financial statements.

## F H S TRUST LIMITED

## BALANCE SHEET

31 AUGUST 2023

		2023		2022	
	Note	£	£	£	£
<b>FIXED ASSETS:</b>					
Investment property	9		675,000		525,000
Tangible assets	10		<u>1,128,276</u>		<u>1,136,532</u>
			1,803,276		1,661,532
<b>CURRENT ASSETS:</b>					
Debtors	11	738,905		826,693	
Cash at bank		<u>104</u>		<u>2,062</u>	
		739,009		828,755	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>1,469,422</u>		<u>1,305,196</u>	
<b>NET CURRENT (LIABILITIES)</b>			<u>(730,413)</u>		<u>(476,441)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,072,863		1,185,091
<b>CREDITORS: Amounts falling due after more than one year</b>	13		<u>(367,421)</u>		<u>(396,253)</u>
			<u>705,442</u>		<u>788,838</u>
<b>THE FUNDS OF THE CHARITY:</b>					
Restricted Income funds	15		-		-
Revaluation Reserve	15		1,079,809		879,809
Fair Value Reserve	15		335,000		335,000
Unrestricted Income funds	15		<u>(709,367)</u>		<u>(425,971)</u>
<b>TOTAL FUNDS</b>			<u>705,442</u>		<u>788,838</u>

For the year ending 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies, but as this company is a charity, it is subject to audit under the Charities Act 2011.

## Directors' responsibilities:-

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.



F H S TRUST LIMITED

BALANCE SHEET

31 AUGUST 2023 (CONTINUED)

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 19-08-2024 and were signed on its behalf by:-

  
B H Hughes  
Trustee

  
P H Patel  
Trustee

The notes form part of the financial statements.

**F H S TRUST LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 AUGUST 2023**

		2023	2022
	Notes	£	£
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>(67,220)</u>	<u>489,520</u>
<b>Net cash (used in) operating activities</b>		<u>(67,220)</u>	<u>489,520</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(12,564)</u>	<u>(44,239)</u>
<b>Net cash (used in) Investing activities</b>		<u>(79,784)</u>	<u>445,281</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(79,784)</u>	<u>445,281</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>(77,615)</u>	<u>(522,896)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>(157,399)</u></u>	<u><u>(77,615)</u></u>

The notes form part of the financial statements.

## NOTES TO THE CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2023

## 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2023	2022
	Notes	£	£
<b>Net (expenditure) for the reporting period (as per the statement of financial activities)</b>		<b>(283,396)</b>	<b>(37,140)</b>
<b>Adjustment for:</b>			
Depreciation charges	11	70,819	66,973
(Increase)/decrease in debtors		87,788	(162,852)
Increase/(decrease) in creditors		57,569	622,539
<b>Net cash (used in) operating activities</b>		<b>(67,220)</b>	<b>489,520</b>

## **F H S TRUST LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2023**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) "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 (FRS102) (effective 1 January 2016)," Financial Reporting Standard 102 "The Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of freehold property, which is included at fair value.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The company is not part of a group and the financial statements cover the individual charity alone.

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 School has committed financial support in the form of an overdraft facility from its bank to enable it to continue to operate for the foreseeable future. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

##### **Objectives and activities**

The company's objects and principal activities are to promote and provide for the enhancement of education for children between the ages of 11 to 18 within Swansea and the surrounding area.

##### **Company status**

The charity is a private company limited by guarantee. The members of the company are the trustees noted on page 1. 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.

# F H S TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

### 1. ACCOUNTING POLICIES (continued)

#### Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income, after any performance conditions have been met and the amount can be measured reasonably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Other incoming resources are accounted for when earned.

School fees and associated income is recognised in the academic year to which it refers. It is stated after allowances, scholarships and bursaries granted by the school. Any amounts received in advance for education to be provided in future years are carried forward as deferred income.

Investment income and gains are allocated to the appropriate fund.

#### Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

# F H S TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

### 1. ACCOUNTING POLICIES (continued)

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/ valuation on a straight line basis over their expected useful economic lives as follows:-

Freehold land	nil
Freehold buildings	at 2% of cost
Computer equipment	at 15% to 25% of cost
Fixtures and fittings	at 10% to 20% of cost

No depreciation charge is made on freehold buildings in the year in which a revaluation adjustment is made.

#### Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognized in 'net gains/(losses) on investments' in the SOFA.

#### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

#### Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

#### Pension costs

The teaching staff employed by the company are members of the Teachers' Superannuation pension scheme. This is a multi-employer defined benefit scheme and the assets of the scheme are administered by the trustees of the scheme and are completely separate from the company.

The pension liability is the responsibility of the Teacher's Pension Scheme. As a result, it is not possible to identify the assets and liabilities of the scheme attributable to the school. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contribution scheme.

# F H S TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

### 1. ACCOUNTING POLICIES (continued)

#### Pension costs (continued)

The pension costs charged in the financial statements represent the contributions payable by the school during the period in accordance with FRS102.

In addition, the company operates a defined contribution plan for the benefit of its non-teaching staff. Contributions are expensed as they become payable.

#### Netting off of income against expenditure

It is not the policy of the charitable company to show incoming resources net of expenditure.

#### Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable/payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in expenditure.

#### Going Concern

The Financial Statements have been prepared on a going concern basis as the trustees believe that this is the correct basis for preparation. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves and the continued support of the Charity's bank, for the charity to be able to continue as a going concern. Further information is given in note 19.

### 2. SCHOOL FEES AND ASSOCIATED INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
School fees	1,330,379	-	1,330,379	1,455,259
Learning support	68,702	-	68,702	129,188
Lunch income	111,241	-	111,241	90,307
Transport	21,924	-	21,924	23,653
Exam fees	18,628	-	18,628	29,589
Trips	50,773	-	50,773	55,717
Music and elocution	39,656	-	39,656	35,095
Duke of Edinburgh	-	-	-	-
Other income	16,503	-	16,503	15,212
Year Book adverts	-	-	-	-
Prom	-	-	-	-
Grants	-	-	-	9,621
	<u>1,657,806</u>	<u>-</u>	<u>1,657,806</u>	<u>1,843,641</u>

The school fees above are stated after discounts, scholarships and bursaries.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

## 3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Rental Income	<u>42,205</u>	<u>-</u>	<u>42,205</u>	<u>15,296</u>

## 4. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
<b>Direct costs of education:</b>				
Cost of lunches	60,138	-	60,138	52,970
Transport	22,058	-	22,058	23,964
Trips	47,630	-	47,630	57,827
Exam fees	20,386	-	20,386	8,026
Duke of Edinburgh	-	-	-	-
Prom night	-	-	-	-
Sports costs	3,679	-	3,679	1,217
Science equipment and books	13,636	-	13,636	14,479
Photocopying	3,640	-	3,640	6,061
Sports transport	4,820	-	4,820	4,090
Year Book	-	-	-	-
Bad Debts	<u>70,257</u>	<u>-</u>	<u>70,257</u>	<u>-</u>
	<u>246,244</u>	<u>-</u>	<u>246,244</u>	<u>168,634</u>
<b>Staff costs:</b>				
Staff salaries	1,177,165	-	1,177,165	1,146,305
Social security costs	107,414	-	107,414	105,934
Staff pension costs	134,524	-	134,524	189,423
Staff training	587	-	587	7,352
Peripatetic staff	30,000	-	30,000	24,424
Travel	-	-	-	-
	<u>1,449,690</u>	<u>-</u>	<u>1,449,690</u>	<u>1,473,438</u>



F H S TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
<b>Support Costs:</b>				
<u>Advancement of education</u>				
Post and stationery	260	-	260	2,446
Computer costs	25,795	-	25,795	18,976
Advertising	16,448	-	16,448	14,498
Subscriptions	22,764	-	22,764	32,842
Bank charges and interest	21,689	-	21,689	26,310
HMRC charges	10,012	-	10,012	-
Depreciation	50,819	-	50,819	47,973
Sundry expenses	3,377	-	3,377	2,853
Legal and professional	4,368	-	4,368	2,444
	<u>155,532</u>	<u>-</u>	<u>155,532</u>	<u>148,342</u>
<u>Premises costs</u>				
Rates	7,271	-	7,271	7,313
Insurance	32,495	-	32,495	23,811
Light and heat	24,231	-	24,231	23,583
Repairs	24,096	-	24,096	9,236
Cleaning	3,326	-	3,326	8,396
Trade waste	6,845	-	6,845	4,344
Depreciation	20,000	-	20,000	19,000
	<u>118,264</u>	<u>-</u>	<u>118,264</u>	<u>95,983</u>
<u>Governance costs</u>	<u>13,497</u>	<u>-</u>	<u>13,497</u>	<u>9,680</u>
<b>Total support costs</b>	<u>287,293</u>	<u>-</u>	<u>287,293</u>	<u>254,005</u>
<b>Total cost of charitable activities</b>	<u>1,983,227</u>	<u>-</u>	<u>1,983,227</u>	<u>1,896,077</u>

5. GOVERNANCE COSTS

	Total Funds 2023	Total Funds 2022
	£	£
Auditors remuneration	8,150	7,800
Other professional fees	5,347	1,880
	<u>13,497</u>	<u>9,680</u>

6. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:-

	2023	2022
	£	£
Depreciation	70,819	66,973
Auditors remuneration: - audit of the financial statements	<u>8,150</u>	<u>7,800</u>

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**7. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	1,177,165	1,146,305
Social security costs	107,414	105,934
Pension costs	134,524	189,423
	<u>1,419,103</u>	<u>1,441,662</u>
Aggregate employee benefits of key management personnel	64,264	64,264
On which Employer's National Insurance contributions were	<u>7,728</u>	<u>7,653</u>

Key management are the trustees and head teacher.

The school participated in the Teachers' pension Scheme ("the TPS") for its teaching staff. The pension charge for the year included contributions payable to the TPS of £144,086 (2022: £165,660).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. 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 funded provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report confirmed an employer contribution rate for the TPS of 28.68% from 1 September 2023 (including the scheme administration levy).

During the year the school auto-enrolled its non-teaching staff into the NEST pension scheme which is a defined contribution scheme. The pension charge for the year includes contributions payable to NEST of £2,984 (2022: £7,940).

There was one employee whose emoluments as defined for taxation purposes amounted to over £60,000 for the year.

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**7. STAFF COSTS (continued)**

The average number of employees, analysed by function was:-

	2023	2022
Charitable activities	40	40
Management and administration of the charity	3	3
	<u>43</u>	<u>43</u>

**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Incoming resources</b>			
<b>Activities for generating funds:</b>			
Incoming resources from charitable activities:-			
School fees and associated income	1,843,641	-	1,843,641
Investment income	15,296	-	15,296
<b>Total incoming resources</b>	<b>1,858,937</b>	<b>-</b>	<b>1,858,937</b>
<b>Resources expended</b>			
Cost of generating funds:-			
Charitable activities	1,886,397	-	1,886,397
Governance costs	9,680	-	9,680
<b>Total resources expended</b>	<b>1,896,077</b>	<b>-</b>	<b>1,896,077</b>
Net (losses) on investments	( - )		( - )
<b>Net resources expended</b>	<b>(37,140)</b>	<b>-</b>	<b>(37,140)</b>
Gains/(losses) on revaluation fixed assets	-		-
<b>Net movement in funds</b>	<b>(37,140)</b>	<b>-</b>	<b>(37,140)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	825,978	-	825,978
<b>Total funds carried forward</b>	<b>788,838</b>	<b>-</b>	<b>788,838</b>

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**9. INVESTMENT PROPERTY**

**£**

**Valuation**

At 1 September 2022	525,000
Revaluation	<u>150,000</u>
At 31 August 2023	<u><u>675,000</u></u>

The investment property is a property that is let by the charity to a tenant on a long-term lease.

The property was valued on 13 May 2024 by Dawsons on an open market basis.

The effects of the revaluation of the property are shown in the free value reserve (see note 16).

The trustees consider that the valuation, undertaken on 13 May 2024, is a fair reflection of the property value at 31 August 2023.

The property has been pledged as security for liabilities of the charity.

The historic cost of the investment property is £190,000 (2022 - £190,000).

**10. TANGIBLE FIXED ASSETS**

	Freehold property £	Computer equipment £	Fixtures & Fittings £	Total £
<b>COST/VALUATION</b>				
At 1 September 2022	1,150,000	85,781	132,640	1,368,421
Additions	-	6,671	5,893	12,564
Revaluation	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
At 31 August 2023	<u>1,200,000</u>	<u>92,452</u>	<u>138,533</u>	<u>1,430,985</u>
<b>DEPRECIATION</b>				
At 1 September 2022	79,000	57,401	95,489	231,890
Charge for year	20,000	23,112	27,707	70,819
Revaluation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2023	<u>99,000</u>	<u>80,513</u>	<u>123,196</u>	<u>302,709</u>
<b>NET BOOK VALUE</b>				
At 31 August 2023	<u>1,101,000</u>	<u>11,939</u>	<u>15,337</u>	<u>1,128,276</u>
At 31 August 2022	1,071,000	28,380	37,151	1,136,531

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**10. TANGIBLE FIXED ASSETS (continued)**

The freehold property was valued on 8 May 2024 by Dawsons on an open market basis.

The historic cost equivalent of freehold land and buildings included at valuation are as follows:-

	<b>2023</b>	2022
	<b>£</b>	£
Cost	<u><b>258,111</b></u>	<u>258,111</u>
Accumulated depreciation	<u><b>36,027</b></u>	<u>34,865</u>

The trustees consider that the valuation, undertaken on 8 May 2024, is a fair reflection of the property value at 31 August 2023.

The freehold property has been pledged as security for liabilities of the charity.

**11. DEBTORS**

	<b>2023</b>	2022
	<b>£</b>	£
Trade debtors	<b>736,764</b>	818,801
Prepayments and accrued income	<u><b>2,141</b></u>	<u>7,892</u>
	<u><b>738,905</b></u>	<u>826,693</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

## 12. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	188,569	113,526
Trade creditors	13,860	919
Accruals and deferred income	594,759	685,792
Tax and social security	672,234	504,959
	<u>1,469,422</u>	<u>1,305,196</u>

## Deferred income

	Fee Income	Rental Income
	£	£
As at 31 August 2022	674,762	-
Additions during the year	-	-
Released during the year	89,013	-
As at 31 August 2023	<u>585,749</u>	<u>-</u>
Due to be released in less than one year	<u>585,749</u>	<u>-</u>
Due to be released after more than one year	<u>-</u>	<u>-</u>

Income has been deferred for school fees received in advance and will be released in the next accounting period as stated in the incoming resources accounting policy.

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the charity.

The total secured liabilities at 31 August 2023 were £509,512 (2022: £509,778).

## 13. CREDITORS: Amounts due after more than one year:-

	2023	2022
	£	£
Accruals and deferred income	46,477	47,026
Bank loan	<u>320,944</u>	<u>349,226</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

## 14. FINANCIAL COMMITMENTS

The company had the following annual operating lease commitments at 31 August 2023:-

	Other £
Leases expiring between 2 and 5 years	<u>7,145</u>

The total commitment for such leases at 31 August 2023 was £17,129.

## 15. MOVEMENT IN FUNDS

## Unrestricted funds

	General Reserves	Revaluation Reserve	Fair value reserve	Total
	£	£	£	£
Balance brought forward	(425,971)	879,809	335,000	788,838
(Deficit) for the year	(283,396)	-	-	(283,396)
Transfer	-	-	-	-
Revaluation adjustment	-	200,000	-	200,000
Balance carried forward	<u>(709,367)</u>	<u>1,079,809</u>	<u>335,000</u>	<u>705,442</u>

## Transfer

The transfer between reserves represents the excess of the depreciation on the freehold property, as calculated on the revalued amount over that calculated on the original cost.

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**15. MOVEMENT IN FUNDS (continued)**

The deficit for the year included in the above is as follows:-

	Incoming Resources	Outgoing Resources	Deficit for this year
	£	£	£
General fund	1,699,831	(1,983,227)	(283,396)
Revaluation reserve	200,000	-	200,000
	<u>1,899,831</u>	<u>(1,983,227)</u>	<u>(83,396)</u>

Comparatives for movement in funds:-

	General Reserves	Revaluation Reserve	Fair Value Reserve	Total
	£	£	£	£
Balance brought forward as as restated	(388,831)	879,809	335,000	825,978
Deficit for the year	(37,140)	-	-	(37,140)
Transfer between reserves	-	-	-	-
Revaluation	-	-	-	-
Balance carried forward	<u>(425,971)</u>	<u>879,809</u>	<u>335,000</u>	<u>788,838</u>

	Incoming Resources	Outgoing Resources	Deficit for this year
	£	£	£
General fund	1,858,937	(1,896,077)	(37,140)
Revaluation reserve	-	-	-
	<u>1,858,937</u>	<u>(1,896,077)</u>	<u>(37,140)</u>



NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2023

**16. TAXATION**

As a registered charity Ffynone House School Trust Limited is exempt from tax on income and gains, to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity (2022: Nil).

**17. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS**

No members of the Board of Trustees received any remuneration or expenses during the year (2022: £Nil).

One of the trustees, Mr P H Patel, paid fees of £22,000 to the company in respect of his children who attended the school (2022 - £17,413).

The fees paid by the trustees are on the same basis as those paid by other parents.

As at 31 August 2023 no fees were owed to the trust by trustees for the year then ended.

WBV Limited, a company in which Mr D A Rowe (trustee and director) is a director and shareholder provided services with a value of £3,840 in the year (2022: £2,402).

**18. COMPANY LIMITED BY GUARANTEE**

Ffynone House School Trust Limited is a charitable company, limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceased to be a member.

**19. GOING CONCERN**

The trustees (directors) are aware that the unrestricted income funds show a deficit balance at 31 August 2023 of £83,396 after revaluation adjustment, (2022 deficit of £37,140)

The financial performance in 2023 showed a decline. The decline was because of a decrease in income and an increase in bad debts

The company is dependent on its bank for their continued support. The Trustees met with the bank in January 2022 following which the bank confirmed their ongoing support in terms of the overdraft facility and have converted £400,000 of the overdraft amount to a structured loan agreement.

The company is also dependent on the ongoing support of the Teachers pension Scheme (TPS) and HMRC PAYE due to the amount that is outstanding. There are payment arrangements in place to clear these balances and at the date of the report of the accounts all payments had been made in line with the agreements.

It is possible that the trustees may need to consider the sale of the investment property to raise funds to clear the balances owed. This may not be the desired action but it would put the school back on a sound footing and enable the school to move forward without any significant creditors.

The trustees are aware of the UK government's decision to introduce VAT on private school fees. At this point in time it is unclear what effect this will have on the schools pupil numbers and there is uncertainty what the impact could be on the income of the charity.

**F H S TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED 31 AUGUST 2023**

**20. ULTIMATE CONTROLLING PARTY**

No one individual controls the charity.