

Company No. 700927

Charity No. 312082

INSPIRATIONAL
Box Hill School

BOX HILL SCHOOL TRUST LIMITED

GOVERNORS' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st July 2020

**BOX HILL SCHOOL TRUST LIMITED
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31st July 2020**

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**BOX HILL SCHOOL TRUST LIMITED
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31st July 2020**

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Box Hill School (“the School”) are the School’s charity Trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below.

Governor	Nominations	Finance & General Purpose (formerly separately Finance and Estates)	Education	Risk & Compliance (formerly Risk, Management & Welfare)	Human Resources	Business & Commercial (formerly Marketing)
A Agace						✓
J Chalker		✓		✓		
J Evans	✓	✓			✓	✓
D Fallon	✓			✓	✓	
I Gomes		✓				
J Harman		✓				
A Horden		✓				✓
T Johnson				✓		
E Knight				✓		
T Knight		✓				
M Pengilly			✓	✓		
P Savage						✓
P Tanner		✓				
C Townsend			✓			
K von Wedel			✓			

During the year the activities of the Governing Body were carried out through six committees. The membership of these committees is shown for each Governor.

The Honorary Patrons His Majesty King Constantine of Greece, Prince of Denmark
 Her Majesty Queen Anne-Marie of Greece

Officers (key management personnel currently and throughout the year)

The Headmaster	C Lowde BSc (Joint Hons), M.Ed, NPQH
COO & Clerk to the Governors	S A Ansell FCCA, BSc Econ
Deputy Head (Academic) (until 31 December 2019)	C Makin BA (Joint Hons), NPQH
Deputy Head (Academic) (since 1 January 2020)	J Thomson BA, MA
Deputy Head (Pastoral)	S Salmon BA (Hons)Econ, MA Econ
Head of Boarding	J H Attewell BSc(Hons)
Dir. of Admissions & Curriculum	S T Powell BEd(Hons)
Dir. of Communications & Development	A Vernon BA(Hons)Dip M

Principal Office Box Hill School
 Old London Road
 Mickleham
 Surrey
 RH5 6EA

**BOX HILL SCHOOL TRUST LIMITED
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FOR THE YEAR ENDED 31st July 2020**

Advisers

Independent Auditor

Kreston Reeves LLP
Springfield House
Springfield Road
Horsham
West Sussex
RH12 2RG

Bankers

Barclays Bank Plc
90-92 High Street
Crawley
West Sussex
RH10 1BP

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Insurance Brokers

Marsh Limited
1-5 Perrymount Road
Haywards Heath
Surrey
RH16 3SY

Website

www.boxhillschool.com

**BOX HILL SCHOOL TRUST LIMITED
INCOME AND EXPENDITURE ACCOUNT
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The Governors of Box Hill School Trust Limited present their Annual Report for the year ended 31st July 2020 under the Charities Act 2011, including Directors' and Strategic Reports, under Companies Act 2006, together with the financial statements of the charity for the year. The expressions Governor, Trustee and Director are used interchangeably in the Annual Report and Financial Statements.

REFERENCE AND ADMINISTRATIVE DETAILS

The Box Hill School Trust Limited ("the School") was founded in 1959 and subscribes to the education principles of Kurt Hahn.

The School is a member of Round Square, a worldwide international group of schools working on the same principles.

The Directors and Governors (further details)

T Johnson – Chair	Non-Executive Director
D Fallon – Deputy Chair	Portfolio of Health-related appointments
A Agace	Chartered Surveyor
J W S Chalker	Chartered Interior Designer
J A Evans	Financial Services Consultant
I Gomes	Chartered Accountant
H J W Harman (resigned Dec 19)	Chartered Accountant
A Horden (appointed Dec 19)	Programme Director (Transformation)
E Knight (appointed Sep 19)	Lawyer
T G Knight (resigned Dec 19)	Retired Chartered Surveyor
M Pengilley (resigned Dec 19)	Former Box Hill School Teacher
P Savage	Healthcare Consultant
P Tanner (appointed May 20)	Chartered Architect
C Townsend	Headmaster Felsted School
K von Wedel (resigned Jun 20)	Solicitor and Former Pupil

Members of the Trust

In addition to the Governors, there are appointed Members of the School company, individuals who have an interest in the School, who meet the Governors once a year at the Trust's Annual General Meeting. New members of the Trust are appointed by the Governors. During the year all the Governors plus the following were Members of the School company:

H Atwood	Dr R A S Atwood	J M Banfield
N A C Booth	Dr A M Dempsey	G Douglass
T Fox-Young	D Korn	Dr H E Ladebeck
D Malcolm-Green	C Mann	L McComish-Owen
A Murugappan	J Sharpley	G Shenton
R P J Sonneborn	M Sunter	Rev J R Taylor
J Turner	P M G Voller	J G Williams

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity is governed by its Memorandum & Articles of Association dated 16th August 1961 which were amended in 2017.

Recruitment and Appointment of New Governors

Only persons approved by the Trustees (Governors) of the School are eligible to be Members of the School company. The number of Trustees (Governors) is required to be not less than 4 nor more than 16. The Secretary of the School company is appointed by the Trustees and is currently Mr Stuart Ansell. The Members of the School company meet annually. The School is governed by the Board of Governors, the School's Trustees, who meet at least four times in any one academic year. Details of Governors are given on page four.

The School's elected Governors are appointed at the Annual General Meeting of the Members of the School Company and are selected on the basis of their eligibility, personal competence, specialist skills and local availability.

In response to Lord Hodgson's review of the Charities Act 2006 the School has adjusted the Articles of Association to reflect that Governors will serve no more than 12 years in four terms of three years.

Induction and Training of Governors

New Governors are inducted into the workings of the School and its policies and procedures by the Headmaster and the Clerk to the Governors during a day visit to the School and are also sent on The New Governors Study Day arranged by the Association of Governing Bodies of Independent Schools (AGBIS).

Members of the Board of Governors attend external trustee training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements. All governors are required to undertake specific regular training in relation to safeguarding.

Organisational Management

The Governing Body has the ultimate responsibility for directing the affairs of the School, ensuring it is solvent, well run and delivering the best possible education for present and future pupils. Governors focus on the strategic direction of the School while the day-to-day running of the School is delegated to the Executive (Headmaster, Chief Operating Officer and senior staff). The Governors assist the Executive to formulate the policy and the strategy necessary to run the School efficiently. A number of committees have been formed to enable Governors to pass on their knowledge and give support to the Executive.

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

We aim to recruit, subject to experience, at the lower to medium point within band scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

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Connected Charities

The McComish Foundation (Registered Number 298358).

This foundation was started by the Founder Headmaster on his retirement from the School in 1987. The aim of the foundation is to 'perpetuate the teachings of Kurt Hahn by offering an annual award to members of Years 11, 12 and 13 at Box Hill School, so that an individual may be provided with an opportunity to take up a personal challenge of his or her own choosing'.

Round Square (Registered Number 327117).

The School is a member of Round Square and plays a full part in its activities around the world. The Registered Office of Round Square is Swan House, Madeira Walk, Windsor, Berkshire, SL4 1EU.

Employment Policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial performance of the School.

Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to appraise staff of current issues. An example of an exceptional briefing were presentations by the Chief Operating Officer to all staff on the School finances during the lockdown caused by the Covid-19 pandemic.

Information regarding pension changes is communicated to staff electronically.

Staffing

At 31st July 2020, the School employed a total of 68 members of academic staff and 72 support staff. These figures include those staff employed on part time contracts.

RESERVES AND INVESTMENT POLICY

Reserves Policy

The reserves of the School represent the unrestricted funds which the Governors are free to use in accordance with its charitable objects. Reserves are defined as total funds excluding restricted funds and amounts held as fixed assets (net of loan financing). The total funds at the year end have accumulated to £7,507,482 and are all unrestricted. £65,465 is held as a designated bursary reserve to fund current and future bursaries and it is the intention of the Governors that this is only used for bursaries and scholarships to be awarded by the School.

The net book value of tangible fixed assets held at the balance sheet date was £15,089,003, with related loans of £6,627,320, giving a net amount of £8,461,683 which is in excess of total funds. This shows that after taking into account the significant investment in the School's campus and buildings and associated loan financing there are currently no free reserves. This is common in independent schools which have to finance their own capital investment.

The Governors have always considered that, given the strength of the balance sheet, strong cash flows and popularity of the school, it has had sufficient funds available to cover normal fluctuations in working capital but will consider the need to build up free reserves in the future. It has been the Governor's strategy to work towards positive reserves of up to one term's operational expenditure. This will require a build-up of surpluses and continuing repayment of the School's debt. While this approach to reserves remains the governors long term strategy in light of the impact of the Covid-19 pandemic it has not been realistic to make progress towards it this year and the approach has been to work to minimise the financial impacts of the pandemic on the School. This is discussed further in the Financial Review.

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Investment Policy

The charity's powers of investment are governed by its articles of association and as a matter of good practice the trustees apply the principles of the Trustee Act 2000 if making investment decisions.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects for which the School is established are to promote the advancement of education for the benefit of the public having regards to the principles of education of Kurt Hahn and in connection with that object to acquire, establish, provide, conduct, and carry on residential and non-residential schools in which boys and girls of all sections of the community may receive a sound general education.

Mission Statement

- To create successful life-long learners and leaders with a global mind-set who will always make a difference in the world around them through the Round Square IDEALS, which are:
 - Internationalism
 - Democracy
 - Environmentalism
 - Adventure
 - Leadership
 - Service

- To enable the promotion of these IDEALS by demonstrating the School's holistic approach to education through understanding of others; encouragement of individual talents and sporting skill; promotion of a spirited attitude to life; pastoral care; and pride in what we do.

The School's charitable status means that it does not make a profit, however the Governors must budget for a surplus over expenditure in order to maintain the buildings and equipment in good order.

Intended Impact

Within its Charitable Objects, the School's intention is to provide a first-class education through strong academic tuition and by developing broader skills that enable every pupil to 'become the best version of themselves'. This involves emphasis on public examination results and the co-curriculum through cerebral, sporting, artistic, team building and social skills. This policy builds self-confidence and life skills in our pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at School and in later life.

Aims for the Public Benefit

The School's aims are:

- To establish a school on predominantly boarding principles in which there are strong and active partnerships between parents and the School and between the School and the local community;
- To offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of shared values and standards;
- To value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond school.
- That the Trustees have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant

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Primary Objectives

The primary objectives of the School to fulfil these aims are:

- To provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- To provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, co-education, respect for one another and good citizenship;
- To provide pupils with the opportunity to take advantage of a breadth of co-curricular activities in order to develop positively all aspects of their character;
- To provide pupils with the opportunity to take decisions based on their own judgement and to communicate those decisions appropriately and effectively;
- To provide financial support to enable children whose parents are unable to afford the full fees to benefit from a Box Hill School education;
- To provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately;
- To provide the necessary training and administrative framework to meet the needs of members of staff and pupils alike;
- To build a productive relationship with the local community, schools and alumni;
- To maintain a school roll over 415 with a target of 425;
- To provide an international boarding experience to the benefit of UK and overseas students alike.

Strategies to achieve primary objectives 19/20

The School continues to plan ambitiously for the future. During the first part of the year, the Governing Board worked with the Executive towards shaping a five-year plan-with these two main objectives at its core:

- Investment in people, pedagogy, student experience, and diversity

In order to achieve this the school is focussed, in its educational provision, on the following aims;

1. A focus on the wellbeing, safety, individual needs and personal development of each child.
 2. A focus on developing student experiences in the classroom which promote a positive attitude to learning.
 3. A focus on promoting student experiences beyond the classroom which develop leadership and positive character traits.
 4. An inclusive student body representative of a large number of peoples from across the world.
 5. A school experience which promotes awareness of adventure, service, democracy, and a concern for the environment.
- Planning for business growth through
 1. A focus on financial stability through robust stewardship and tight budgetary control
 2. Maximising core revenue via inbound recruitment with a particular focus on high value international and junior boarders,
 3. Revenue growth via in-country partnerships in overseas territories allowing the BHS brand to reach new markets
 4. Securing core revenue via the exploration and implementation of local collaborative partnerships.
 5. Protecting the core asset of the school through continued campus development.

Strategies to meet these objectives during the year included:

- communicating high expectations to all staff (including support staff) about securing and maintaining high standards, through a variety of means including the use of appraisal.
- Using professional development training to reiterate core values and expectations
- Appointing a new Deputy Head Academic and Assistant Head Academic

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- Maximising examination outcomes with clear progression of performance from 2019 summer exams through 2020 January mocks to final examination summer 2020
- setting challenging target grades and communicating these to pupils and parents;
- Continuing the monitoring of teaching and learning through formal and informal lesson observations, department reviews and common teaching and learning appraisal objectives;
- Sharing best practice and facilitating peer review and dialogue with middle leaders leading improvement
- Building best practice within teams to ensure compliance with regulations.
- Developing mental health policies.
- Ensuring that PSHEE teaching and learning in this area is innovative, engaging, and dynamic, promoting positive learning experiences.
- Ensuring successful implementation of changes in pastoral management of Year 7 and Year 8 day pupils
- Actively promoting pupil voice and pupil leaders.
- Establishing formal training programme for Syndicate members.
- Building on work undertaken with feeder schools
- Expanding a range of visits to new markets and developing links with agents covering our non-traditional markets
- Establishing a clear 'brand' proposition
- Implementing a targeted activity plan across appropriate media, to maximise opportunities to promote our brand and place the School in front of key audiences.
- Defining and promoting the Sixth Form 'offer' to Yr10 & Yr11 students, parents and agents.
- Implementing a thorough retention programme targeting year 11 students into sixth form
- Ensuring the Schools IT systems, equipment and infrastructure continue to be secure and fit for purpose

During the year 2019-2020, the school was impacted significantly by the global pandemic of Covid-19. This impact required a substantial re-envisaging of the plan to focus on the wellbeing of students, their continued virtual educational provision and short-term business imperatives.

Covid-19 and the school's response

As with the majority of organisations across the UK and beyond, the school has been significantly affected by Covid-19 and the subsequent regulations surrounding schooling in England.

In March 2020 the Government announced that schools would close physically for an indefinite period of time. The primary focus of the initial days was the safety of all concerned, especially the boarders, who all returned home or to guardians. This was successfully and smoothly achieved.

The media presented a situation where schools were 'closed' but in fact Box Hill School was fully open. It had simply moved to teaching through virtual technology in remote learning. Our goal was immediately to offer value to our students and their parents by continuing with a high-quality learning experience. At least 50% of all teaching, rising to 75% by mid-summer, was conducted live and online in Zoom classrooms through shared screen home working. This engaged the students and the school received numerous positive emails from parents. This live teaching was supported by set work and distance learning to complete the curriculum and no child has lost pace with the expected normal learning trajectory as a result. PHSEE, assemblies, and sports fitness were also all carried out through full time virtual teaching. All teachers remained fully employed and engaged.

Boarding staff were conscious of the need to deliver high quality pastoral care and community wellness through repeated and regular tutorials and house meetings, again online, and these initiatives resulted in a 96% loyalty return rate from in-programme students after the summer vacation.

Multiple scenario planning for school re-opening continued across all departments in the school with the result that Box Hill was ready for both the year 10 and 12 return to school experience of July and subsequent reopening after the summer.

Running in parallel to the work to minimise the impact on student's academic progress and wellbeing significant emphasis was put on the School's financial situation by the Governors and the Executive. The term long transition to a

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remote rather than physical school meant that after careful consideration by the Governors a discount was applied. The impact of this can be seen in the income statement and led to reduction in revenue of approximately £1.2m. The discount was well received by the community and the vast majority of parents paid in full.

On quantifying the immediate impact and challenge of the move to remote learning the School's Chief Operating Officer promptly revised cost budgets, put staff on furlough where this was appropriate and devised a medium-term cost saving strategy to protect the School's prospects. At all times the Governing Board were informed, involved in and supportive of this process. The immediate actions led to approximately £700k of costs being saved in the summer term which greatly reduced the impact of the discount on the Income Statement. The School also worked closely with its bankers in this period and was granted a one-year repayment holiday on its debt which helped to stabilise cash flow.

Unfortunately but inevitably the School has been required to review its headcount in this period and before the end of the financial year commenced discussions which have reduced staff numbers by 9. This was a painful but necessary process in order to stabilise the School for the future. The Governing Board are confident that the combined actions taken to date have put the School in as strong a position as possible to face the ongoing effects of the Covid-19 pandemic whilst positioning the School positively to continue its development as the global economy begins to return to normal.

Public Benefit

The Trustees confirm that they have complied with their duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant

The benefits that the School's education brings are highlighted throughout this report. The Governors are committed to ensuring that those who cannot afford the full fees are not excluded from benefiting from the education the school provides. The principal way in which the school achieves this is through the provision of bursaries, as well as through activities with state schools. In deciding how to achieve this the governors have taken into account the circumstances of the school.

Bursary Policy

The Governors are aware that the School has no endowments from which to draw funds to meet the financial commitments of bursaries with the majority of the Charity's income coming solely from fees. There is, therefore, a balance to be struck in the number of bursaries awarded and keeping the fees reasonable for those not receiving bursaries. Fee remissions were 6% of fee income.

This year, the value of scholarships, bursaries and other awards made to the School's pupils out of unrestricted funds was £560,195 to a total of 146 pupils where the aim, in addition to the awards set out in the Scholarships & Bursaries Policy, is to relieve hardship where the pupil's education and future prospects would otherwise be at risk. Box Hill School Governors' policy, in line with that of other independent schools, is to make these awards on the basis of the individual's education potential alongside a consideration of the families' means to ensure that scholarships and bursaries are used to broaden access to high quality education.

Number of bursaries and scholarships awarded during the year:

		2020		2019
Bursaries and sibling discounts	30 pupils	£282,967	24 pupils	£206,953
Scholarships	116 pupils	£277,228	104 pupils	£283,887
		£560,195		£490,840

The School actively supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. We seek opportunities to widen public access to the schooling we provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the School.

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Independent / State Sector Partnership

The Governors regard the creation of partnerships with state schools to be important and the school continues to seek opportunities to further develop these initiatives.

During the year such partnerships took the form of detailed weekly provision of music instruction with the Weald Primary School (Dorking) and also the Headmaster sitting as a Governor at Powell Corderoy Primary School (Dorking) with oversight of KS2 curriculum.

The music involved teaching of year 5s and year 6s by our Director of Music Mr Adam Stanworth on a regular timetabled slot on Tuesday afternoons as well as the provision of assembly support. The Weald is part of a MAT (Multi Academy Trust).

At Powell Corderoy School, The Headmaster and fellow governors work with the staff to monitor the progress of the school against its development plan and to oversee the delivery of subject content in Key Stage 2.

In addition, the Headmaster became the Independent School's representative on the Surrey County Council Safeguarding Forum. In September 2019, Surrey adopted new safeguarding children partnership arrangements in line with national requirements. The statutory partners and relevant agencies together form the new Surrey Safeguarding Children Partnership. Members of the Partnership will typically represent an agency (eg the council; the CCG; Surrey Police) or a 'constituency' (eg schools; Third Sector). All will have statutory responsibilities in respect of safeguarding children. This code of conduct applies to all individuals nominated to serve as members of the partnership and is designed to clarify the expectations we should make of ourselves and our agencies in undertaking this most important work. The vision is to ensure that the new safeguarding arrangements will make a difference to the lives of children and young people in Surrey. They will ensure that agencies work better together, learn from local and national practice and continuously improve services to enable children to be safe and feel safe in their families and communities.' Box Hill School is committed to this goal at the school, local, and National Level.

The Headmaster also sits on the Society of Heads' Development sub-committee with the goal of working in partnership with other Independent Schools to develop the knowledge and provision of learning experiences for Heads across the sector.

Sharing our Facilities

- The School actively seeks sports fixtures with numerous secondary state schools – both local and regional;
- The School facilities are let, at a reduced rate, to a variety of local sports clubs and organisations including Mickleham FC, Mickleham CC, Mickleham Badminton Club and various junior teams;
- Our facilities are used for educational groups during holiday periods, international language schools and sports groups.

Local Community

The School continues to provide opportunities to share its facilities to various local organisations and groups as part of its day to day activities. In addition we highlight the following new initiatives:

- This year we partnered with Maggie's Centres to support their fundraising projects. Together we initiated and created a new charity cycle event which will be hosted by the school, enabling it to take place for the first time. It is intended that it will become an annual event.

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- We have also partnered with the Royal Marsden Hospital. Students will create artwork (in conjunction with young patients) which will be featured in designated waiting room spaces at the hospital.
- We support the Leatherhead Youth Project (charity supporting disadvantaged young people). The School developed a programme to provide free access to facilities and use of the campus for a designated 'holiday' week. Sadly, both of these were unable to go ahead as a result of Covid-19.

Information on fundraising practices

The school recognises the contribution made by its supporters, with voluntary donations being a valuable part of the school's incoming resources. Fundraising activity has historically been carried out by Box Hill School Parents' Association (BHSA) which is led by an elected committee of parents and operates independently from the school. This group raises money for the school through events and activities which are voluntary and advertised in a non-intrusive manner. The school does not utilise the services of any external commercial fundraisers.

During the year and prior to the Covid-19 lockdown the School embarked on a large-scale fundraising programme with the ambition of funding the development of a new "creative hub" to enhance the School's physical facilities. The School had previously voluntarily signed up to oversight from the Fundraising Regulator to ensure best practice. The fundraising work was done by the staff of the School and took the form of direct contact with potentially large donors. The work was indefinitely suspended as a result of the Covid-19 pandemic and its impact on the School.

Whilst the fundraising for the Creative Hub was the main focus during the year the School continued with its "business as usual" much smaller scale activities raising funds, these are too numerous to mention here but generally involve specific events and campaigns aimed at generating funds for Scholarships and Bursaries and other specific issues.

During the year there were no instances where the School failed to comply with its regulatory obligations and there were no complaints regarding its fundraising activities. All the School's fundraising efforts are undertaken in a respectful, consensual and non-intrusive manner and we are conscious of the need to ensure that our staff are aware of the need to protect the interests of vulnerable people when engaging in fundraising activities. The School ensures that approaches to potential donors are well researched so that the potential donor is of the appropriate profile for a discussion and all approaches are carefully planned to avoid any pressure being put on the other party.

STRATEGIC UPDATE

This section outlines the strategic aims and objectives for the School, together with a review of its performance for the year and plans for the future.

The school's strategic objective has been to become the first-choice school both locally and globally for those families that understand that education is about growing the whole person. To this effect, the operational successes of the school works towards this goal as part of a strategy of continued development, repositioning and messaging; making clear who we are, what we do, and why children thrive here.

The school reached its cap of 425 students prior to the Covid-19 lockdown, in January 2020.

Academic

All of our GCSE results were on or above the Centre Assessment Grades (CAGs) issued by teachers. Our level 9-4 pass rate was 91% with a level 7+ rate of 30%. Our target for GCSE was 85% level 9-4 pass rate. If compared, these are our best GCSE results (as were IB and A-level results).

At A-level, we achieved a 98% pass rate (A*-E) and 56% A*-B which are our best ever (again, if compared). This pass rate is well above our target of 86%. Most students have either met their firm or insurance choice university criteria. Our real highlight was a student who received 2 A*s and an A grade. These A-level results are very strong for Box Hill School albeit in a very unusual year.

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At IB we achieved a diploma average of 32.5 points, above the world average of 29.9 points. This is well above our target of 30 points. We do, however, have to be cautious about the fact that these are our best ever and how we compare them. Our diploma pass rate was 94.5%.

We aim to achieve the highest possible standards of academic learning, offering great breadth (for example in curriculum choice, where we offer GCSEs, and iGCSEs, A level and IB, and an International Study Centre), within a wide ability range and developing the individual needs of every student. Our outcomes, as evidenced above, are strong in relation to cognitive and SEN demographics.

We aim to develop independent learning throughout the school and to extend all our students to enable them to fulfil their potential. We encourage our students to work hard and to take pride in their achievements and to develop a lifelong love of learning. The school is proudly comprehensive: our ideal is to work towards an intake which is fully representative of the entire range of learners in the outside world, including students deemed gifted, of 'average' cognitive ability, and with differences/difficulties or with special education needs. Well-planned lessons, with clear learning objectives and expected progress, high standards of engagement are normal everyday practice.

Teachers are encouraged to be dynamic and engaging, and lessons include a variety of tasks. Our recent, remote teaching and learning delivery during lockdown received heavy praise from our parent body. We delivered over 50% live lessons through Zoom and backed it up with online resources delivered through various platforms. All students communicated with teaching staff and each other through their school email and those who fell behind with their remote learning were picked up on. All departments are aligned to the whole school action plan and departments have built action plans that 'harness' the incredible remote work and used resources made (eg. pre-recorded Zoom lessons) to link into their schemes.

Staff work hard to ensure that there is appropriate differentiation in class and homework and have an acute awareness of the learning needs and styles of students. Teaching is regularly monitored by the Head and Deputy through unannounced lesson drop-ins, departmental reviews and by Appraisal Reviewers and Heads of Department. The Deputy undertakes joint observations with Heads of Departments of newly appointed teachers. One of the key features of the education that we provide is that it is holistic, in that it places equal emphasis on all areas of school life, be it artistic, academic, sporting, activity-based, pastoral, or creative.

Pastoral

The School understands just how critical the pastoral care of its pupils is for their all-round development. The Autumn/Winter edition of the September 2020 'The Week' Independent Schools Guide has identified the School as providing very good pastoral care, and the work to achieve this was carried out in this and previous years. It is vital that we continue to drive this forward and so we continue to proactively pursue character education.

The mission (vision statement) of BHS is ***to create successful global citizens who will always positively impact the world around them through the Round Square IDEALS***. This short sentence encapsulates the culture of respect, the focus on learning, and the challenge of influencing tomorrow's world, that we wish to promote at BHS. Increasingly, young people today are faced with a range of challenges which are new and unique.

Within this context, the task of educating our students remains the same; to form character, to promote wisdom, to encourage ethical living, right choices, and to promote a spirit of enquiry based on a firm grounding of knowledge. This is still our task. It is also clear that a set of values as singular and striking as this cannot just be taken for granted. We must work actively to guard the distinctiveness of BHS in the face of all kinds of changes in the environment in which we operate. Some of these are broad changes in society; others are regulatory and specific to education and the welfare of children. To the former we must adapt, with the latter we must comply. But our aim should be to continue to provide boys and girls with an educational experience as extraordinary and as inspirational as possible, but as fit for the 2020s and as valuable today as that of the pioneers a century ago.

The PSHEE curriculum has been further improved and is reviewed annually by the Deputy Head Pastoral and assistant Head Pastoral. Pupils regularly provide feedback to assist this process. We follow guidelines from the PSHEE association in putting together a programme of study and are always looking at ways to improve our content and delivery to

**BOX HILL SCHOOL TRUST LIMITED
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31st July 2020**

students. We invite guest speakers to come in and provide training or support for students on topics that are relevant and challenging. All L6th pupils attend 'Safe Drive, Stay Alive' and this always provides an opportunity for sensitive discussions about driving just before many learn to drive.

PSHEE at KS3 & 4 promotes decision making and the consequences of making decisions and encourages our students to be responsible members of our school community and the wider local community.

An understanding of democracy is encouraged via the School Council and associated pupil groups such as a food committee. Pupils are also involved in deciding the charities that the School supports.

Citizenship

Box Hill School is not a faith school and proudly welcomes pupils of all faiths and none. We do hold some gatherings, such as Boarders Services and Carol Services, in the local historic church and this enhances children's appreciation of the non-material aspects of life.

Often the school community looks outwards to those in greater need and responds to world events. Mufti days, cake sales, Box Hill Day (when we focus on 'making a difference'), Christmas jumper day, Sports Relief and staff supporting *Movember*, for example, to raise money for charity. The school community regularly raises money from various small scale projects including the highly successful Macmillan cake sale which is run each year by Miss Appleton along with a large team of pupils (this always raises over £300).

In addition to financial giving, pupils willingly give of their time to support local and international charitable organisations. During the past year, the pupils have undertaken for example, the shoebox collection, gardening for older people and regular litter picking in the local area.

In addition, the school also supports the village church, with pupils attending a service twice a term, acting as side persons and helping to serve refreshments at the end of the service. This is in addition, to service projects pursued by individual pupils as part of Round Square and the Duke of Edinburgh's Award scheme which this year have included running football for younger children, peer mentoring, teaching language classes and volunteering for local organisations. It is worth highlighting those older pupils who have raised funds for Covid-19 charities and volunteered for the Red Cross; this included delivering food to families during lockdown and working within a hospital.

Holistic Education

Establishment of key events such as public speaking competitions, and senior student initiatives to organise and run an annual 'Variety Show', have all promoted student voice and independence.

We have an excellent Syndicate and Guardian team, who lead the student body and set a good example to all students. The Guardians run the school council sub-groups and they work with the representatives to improve any areas of the school that they feel need to be developed. In addition, the Guardians and members of the Syndicate are working with younger year groups to encourage team building.

Box Hill Day (also known as Make a Difference Day) is a day when all students are involved in raising money and awareness for our chosen charities and they work together in year groups to achieve a common goal. Each house or small group will select an activity to raise money and this includes activities such as the coconut shy, face painting, 'soak a teacher', pancake making and then the whole school walks up Box Hill on the same day. Throughout the year students support each other by organising events such as the Variety Show, fashion shows and also lead assemblies on their chosen topics. Although this year Coronavirus put paid to these initiatives after March, the school operated normally up to that point with considerable success.

Expeditions remain a core part of what pupils in KS3 undertake. This always involves team building activities and reflection. The tone is set from the beginning by the use of team building activities as part of the KS3 and Sixth Form induction programmes. DofE expeditions allow pupils beyond KS3 to further develop their skills.

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The activities programme, sport and drama also routinely encourage working together. 35 pupils of varying ages have worked collaboratively on the latest school production (Peter Pan at Christmas 2019).

Boarding

As with many things in this current climate, the boarding year has been a strange and challenging one. Prior to the interruption of the school year in the latter stages of March, boarding had continued to thrive at the school. Numbers were buoyant, and we continued to attract boarders from all around the World. The provision in place had continued to build on the foundation set in earlier years, with plenty of weekend trips for the boarders to enjoy, sports centre orientated competition which included a very successful football tournament, numerous house events and the usual array of boarders themed supper's, Church services and the enjoyment of relaxation time in the houses.

We had various different forums by which we were able to ascertain both student and parent feedback, with the general consensus being our boarding provision was excellent and provided the balance and structure students needed.

Although the global pandemic has impacted the school significantly, it has been particularly acute within boarding. The School closure necessitated by Covid-19 created a very difficult situation for our boarders and staff. The School is proud of the support we offered to our boarders to allow them to get home at the start of lockdown. Despite there being no boarding provision during the closure our staff were proactive in staying in contact with boarders and their families both individually and via house meetings held electronically. This work has been successful and the vast majority of boarders who left part way through their course have returned for the new academic year.

Financial Review & Results for the Year

The results for the year are set out in detail on page 23. With income of £9,476,338 the School had an operating deficit of £140,610 (2019 surplus: £449,918). The deficit this year has occurred as a direct result of the global Covid-19 pandemic which required the School to operate remotely for a term. The remote operation led the Board of Governors to apply a discount to the summer term fees which significantly impacted revenue. Some of this impact to revenue and cashflow was mitigated by the School taking advantage of the government furlough scheme, cost savings made as a result of a reduced physical operation in the third term and the Schools bankers providing a 12-month repayment holiday on the Schools debt from March 2020.

In the early part of the year the School was able to complete important structural and aesthetic improvements to one of its older boarding houses. This significantly improved the look and feel of the accommodation and ensures that it will be fit for purpose for the longer term. Other investment in the Schools facilities took place as normal for the first part of the year but was put on hold due to the Covid-19 pandemic.

The Governing board have carefully considered the School's immediate future in the context of the Covid-19 pandemic and its impact on the School's going concern status. The Governors are confident in the ability of the School to continue as a going concern for at least the next 12 months and a long time beyond. Confidence is derived from the fact the School was full and thriving before lockdown and both domestic and international interest in the School has continued at expected levels during the pandemic. Further confidence is derived from tangible actions and outcomes after the year end as follows:

- The School reopened in September 2020 with 395 pupils which is only a 7% decline on the pre-lockdown roll of 425. The decline was driven by the expected and sector wide fall in recruitment from overseas markets, particularly China, as a result of the Covid-19 pandemic
- The revised student numbers lead to a budget and cash flow forecast that is manageable and achievable for the School
- The School has identified and is marketing a residential property for sale which will generate cash to support the School if there are further impacts from the pandemic
- The School has drawn down a £1m government backed business interruption loan which will ensure further funds are available should there be a need. The loan will be repaid, free of penalties, should the funds not be required

**BOX HILL SCHOOL TRUST LIMITED
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FOR THE YEAR ENDED 31st July 2020**

RISK MANAGEMENT

The Board of Governors consider that the Covid-19 pandemic has significantly altered the risk profile of the School. It is however important that the board continue to manage the pre-existing risks facing the School which can be summarised as follows:

- As with any charity or business there is always a risk that an incident might occur which could potentially damage the School's reputation. We mitigate and manage this risk through extensive managerial training on risk and crisis management together with support from third party PR and legal firms with excellent track records in these fields. Communications and reputation with our existing stake holders are very strong. The School's response to the need to physically close at short notice was an example of excellent crisis management.
- There is a risk that we could fail to meet regulatory requirements set out by the Independent Schools Inspectorate. To ensure we meet all requirements we have prepared and fulfilled an action plan and met all criteria. Management staff have received the necessary training regarding compliance.
- There is an increasing risk of cyber-crime affecting the School. The School has taken measures to mitigate the risk by implementing the recommendations of specialist third party IT Security Consultants. This continues to be reviewed by our IT team.

Risks changed, increased or created by the Covid-19 pandemic are summarised as follows:

- Due to the current restrictions on, and decline in, global travel there is a risk to the stability and sustainability of revenues from our overseas markets for boarding pupils. We are mitigating this risk with extensive online marketing activity as well as providing safe quarantine facilities for pupils arriving from countries where this is a stipulation. The School is now operating on the basis that boarders are likely to stay on site during holiday periods and is making this available to boarders.
- There is a further risk to revenues from the domestic and global economic impact of the pandemic which may make independent education unaffordable for an increasing portion of our target markets. So far demand has held up well but there is future economic uncertainty that could have a significant impact. In response to this the School has not applied any fee increases for the 2020-21 academic year and will carefully consider its pricing strategy for the following year.
- The possibility of a further lockdown adds risk to the School's operations and revenues. The board are monitoring this risk with the executive and cash is being freed up where possible to allow impacts from this to be absorbed if it should happen.
- There is a reputational risk should a Covid-19 outbreak occur in the School community. The School has ensured that it has reopened in a "Covid Safe" environment with significant changes to operational practices to allow for social distancing and for pupils to be safely accommodated in "Bubbles". Detailed risk assessments have been undertaken and communicated for all activities and protocols and facilities are in place to safely isolate any pupil or staff member who shows symptoms or tests positive.

More generally detailed consideration of risk is delegated to the Risk and Compliance Committee, which reports formally to the Governing Body each term. The structure of the Committee comprises four members of the Governing Body assisted by Senior Management. The risk management process and the resulting reports identify risks, assess their impact and likelihood and, where necessary, recommend controls to mitigate and monitor those risks that are assessed as high. The Board also monitors the effectiveness of internal control processes and other issues, including insurance cover where appropriate, by which those risks can best be mitigated.

The key controls used by the charity include:

- Formal agendas for all Committee and Board activity;
- Detailed terms of reference for all Committees;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;

**BOX HILL SCHOOL TRUST LIMITED
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FOR THE YEAR ENDED 31st July 2020**

- Formal written policies;
- Clear authorisation and approval levels;
- Vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the School, Governors are satisfied that the major risks identified have been adequately mitigated where necessary

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Appreciation

The Governors wish to record their thanks to the Headmaster, Senior Leadership Team, bursarial staff, teachers, administrative and establishment staff, parents and students for their continuing support and enthusiasm throughout the year. Grateful thanks are also due to the Box Hill School Parents' Association and their successful fund-raising activities.

Relevant Audit Information

Kreston Reeves LLP have indicated their willingness to continue in office as auditors. At the AGM, the Governors will propose a motion for the members to approve the re-appointment of Kreston Reeves LLP as auditors.

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board of Governors of Box Hill School Trust Ltd, including, in their capacity as company directors, approving the Report of the Governors and Strategic Reports contained therein, and signed on its behalf by:

Signed on behalf of the Governors



T Johnson
Chair of Governors

Approved by the Governors on 17 November 2020

Box Hill School Trust Limited
(A company limited by guarantee)

Statement of Governors' responsibilities
for the year ended 31 July 2020

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report 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. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Box Hill School Trust Limited
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Independent auditors' report to the Members of Box Hill School Trust Limited

Opinion

We have audited the financial statements of Box Hill School Trust Limited (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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.

Box Hill School Trust Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Box Hill School Trust Limited (continued)

Opinion 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 Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Governors' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

Box Hill School Trust Limited
(A company limited by guarantee)

Independent auditors' report to the Members of Box Hill School Trust Limited (continued)

Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 of 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 Governors.
- Conclude on the appropriateness of the Governors' 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 Auditors' 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 Auditors' 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 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Ediss (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Horsham

Date: 18 November 2020

Box Hill School Trust Limited
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 July 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	211,472	211,472	64,029
Charitable activities:	4			
School fees receivable		8,863,553	8,863,553	9,778,846
Ancillary trading income		396,402	396,402	597,423
Investments	7	366	366	2,428
Other income	8	4,545	4,545	97
		<u>9,476,338</u>	<u>9,476,338</u>	<u>10,442,823</u>
Total income				
Expenditure on:				
Charitable activities		9,413,909	9,413,909	9,718,088
Other expenditure	9	203,039	203,039	200,539
		<u>9,616,948</u>	<u>9,616,948</u>	<u>9,918,627</u>
Total expenditure				
		<u>(140,610)</u>	<u>(140,610)</u>	<u>524,196</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		7,648,092	7,648,092	7,123,896
		<u>7,507,482</u>	<u>7,507,482</u>	<u>7,648,092</u>
Total funds carried forward				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 47 form part of these financial statements.

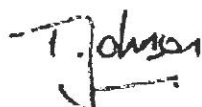
Box Hill School Trust Limited
(A company limited by guarantee)
Registered number: 00700927

Balance sheet
as at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	15,089,003	15,147,035
Investments	15	100	100
		<u>15,089,103</u>	<u>15,147,135</u>
Current assets			
Debtors	16	2,592,957	2,998,951
Cash at bank and in hand		1,020,500	1,293,052
		<u>3,613,457</u>	<u>4,292,003</u>
Creditors: amounts falling due within one year	17	(4,280,517)	(5,194,395)
Net current liabilities		<u>(667,060)</u>	<u>(902,392)</u>
Total assets less current liabilities		<u>14,422,043</u>	<u>14,244,743</u>
Creditors: amounts falling due after more than one year	18	(6,914,561)	(6,596,651)
Net assets		<u>7,507,482</u>	<u>7,648,092</u>
Total net assets		<u><u>7,507,482</u></u>	<u><u>7,648,092</u></u>
Charity funds			
Restricted funds	19	-	-
Unrestricted funds	19	7,507,482	7,648,092
Total funds		<u><u>7,507,482</u></u>	<u><u>7,648,092</u></u>

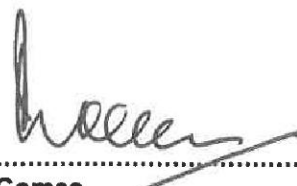
The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors and signed on their behalf by:



.....
T Johnson
 Chair of Governors

Date: 17 NOVEMBER 2020



.....
I Gomes
 Governor and Chair of Finance Committee

The notes on pages 25 to 47 form part of these financial statements.

Box Hill School Trust Limited
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Statement of cash flows
for the year ended 31 July 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net cash used in operating activities	96,834	1,230,481
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	366	2,428
Purchase of tangible assets	(473,742)	(335,133)
Sales proceeds from tangible fixed assets	17,974	-
	<hr/>	<hr/>
Net cash used in investing activities	(455,402)	(332,705)
	<hr/>	<hr/>
Cash flows from financing activities		
Repayments of borrowing	(6,448,480)	(453,737)
New loans	6,811,772	183,118
Capital element of finance lease rentals	(74,237)	(8,998)
Interest paid	(203,039)	(200,539)
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	86,016	(480,156)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(272,552)	417,620
Cash and cash equivalents at the beginning of the year	1,293,052	875,432
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,020,500	1,293,052
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 47 form part of these financial statements

Box Hill School Trust Limited
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Notes to the financial statements
for the year ended 31 July 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Box Hill School Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The company owns the entire share capital of Box Hill School Limited, registered company number 4275164. The subsidiary is exempt from the requirements of the Companies Act 2006 regarding an audit under section 479A of the Act. The charitable company is exempt under Section 402 of the Companies Act 2006 from the requirement to prepare consolidated financial statements on the grounds that under the Companies Act 2006 Section 405 the Subsidiary could be excluded from consolidation as it is not material.

1.2 Company status

The company is a company limited by guarantee. The members of the company are named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Going concern

Having reviewed the funding facilities available to the school together with the expected ongoing demand for places and the school's projected cash flows, the Trustees have a reasonable expectation that the school has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability.

These considerations take into account the impact of Covid-19 and the Trustees have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities.

Box Hill School Trust Limited
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Notes to the financial statements
for the year ended 31 July 2020

1. Accounting policies (continued)

1.4 Income

All income is recognised once the school has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from charitable activities includes school fees receivable, registration fees and fees from ancillary activities. School fees receivable consist of charges billed for the School year ending 31 July, less bursaries, discounts and other allowances. Fees received for education to be provided in future years are carried forward as deferred income. Registration fees are non-refundable fees which are recognised once parents/guardians have committed for the child to attend the school in the school year ending 31 July. Income from ancillary activities is generated from additional activities such as music exam fees and after school clubs being offered to pupils in the school year ending 31 July.

Income from ancillary trading includes income earned from rents and lettings to raise funds for the charity.

Income from investments includes interest which is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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. It is categorised under the following headings:

- Costs of raising funds relates solely to loan interest payable
- Expenditure on charitable activities includes school operating costs such as teaching costs, welfare costs, premises costs and support costs. Finance and administrative staff costs and other support costs have been directly charged to the charitable main activity.

Notes to the financial statements
for the year ended 31 July 2020

1. Accounting policies (continued)

1.5 Expenditure (continued)

The irrecoverable element of VAT is included with the item of expense to which it relates.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include administrative and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

1.6 Grants

Grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.7 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land & buildings	- 2% per annum on cost
Motor vehicles	- 25% on a reducing balance basis
Furniture, fixtures and fittings	- 5%, 10% or 20% per annum on cost
Computers, software and network	- 20%, 25% or 33.33% per annum on cost

Depreciation has been apportioned across the Charitable activities according to estimated usage as follows;

Charitable Activities	Land and Buildings	Furniture, Fixtures and Fittings	Computers, Software and Networking	Motor Vehicles
Teaching	50%	45%	50%	All minibuses
Welfare	50%	45%		
Premises				All estate vehicles
Support		10%	50%	

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

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Notes to the financial statements
for the year ended 31 July 2020

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charitable company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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Notes to the financial statements
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1. Accounting policies (continued)

1.15 Pensions

The charitable company operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS17 'Retirement benefits', the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

The charitable company also operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

1.16 Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.17 Advance fees and deposits

Parents may enter into a contract with the School to pay up to the equivalent of seven years' tuition fees in advance. A simple discount is offered on prevailing fees. There is no interest paid on the advance fees and future fees are not capped. The advance payments are recorded as deferred income until the criteria for income recognition are met. Fees will be recognised in the period to which they relate. Parents also pay deposits to secure a child's future place at the school. These are refundable and are reflected within the School's liabilities on the Balance Sheet.

1.18 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Governors 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 charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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Notes to the financial statements
for the year ended 31 July 2020

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

In the view of the governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in material adjustment to their carrying amounts in the next financial year.

Critical areas of judgement:

Deposits held by the school repayable when a pupil leaves the school are included in other creditors, a proportion of the total deposits are classified as falling due after one year as this reflects the true timing of their repayment.

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	1,817	-	1,817
Grants	209,655	-	209,655
Total 2020	<u>211,472</u>	<u>-</u>	<u>211,472</u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations	34,029	30,000	64,029
	<u>34,029</u>	<u>30,000</u>	<u>64,029</u>

The restricted donation in 2019 was received from Box Hill school parents' association for the purchase of sports equipment for the new sports hall which had been incurred in the previous year. Having been spent, the funds were transferred to unrestricted funds as shown in note 18.

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Notes to the financial statements
for the year ended 31 July 2020

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching and Academic Services (Note 5)	8,863,553	8,863,553	9,778,846
Ancillary trading income (Note 6)	396,402	396,402	597,423
Total 2020	<u>9,259,955</u>	<u>9,259,955</u>	<u>10,376,269</u>

All income from charitable activities in the prior year was to unrestricted funds.

5. School fees receivable

	2020 £	2019 £
Board and tuition fees	9,313,991	10,139,446
Fees in lieu of notice	109,757	66,512
Scholarships and bursaries	(560,195)	(490,840)
Bursaries reserve reallocation	-	63,728
	<u>8,863,553</u>	<u>9,778,846</u>

6. Ancillary trading income

	2020 £	2019 £
Income from extra tuition	193,284	252,922
Courses and sub-lettings	182,092	307,848
Registration fees	21,026	36,653
	<u>396,402</u>	<u>597,423</u>

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7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income - other local unlisted	-	-	2,250
Bank interest receivable	366	366	178
Total 2020	<u>366</u>	<u>366</u>	<u>2,428</u>

All investment income received in the prior year was to unrestricted funds.

8. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Gain on disposal of tangible fixed assets	4,545	4,545	97
	<u>4,545</u>	<u>4,545</u>	<u>97</u>

9. Other expenditure

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest on bank loans and overdrafts	168,766	168,766	179,264
Finance lease charges	34,273	34,273	21,275
Total 2020	<u>203,039</u>	<u>203,039</u>	<u>200,539</u>

All other expenditure in the prior year was from unrestricted funds

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Notes to the financial statements
for the year ended 31 July 2020

10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Governance costs 2020 £	Total funds 2020 £
Teaching and Academic Services	5,349,948	-	5,349,948
Welfare	1,184,698	-	1,184,698
Premises	1,052,517	-	1,052,517
Support	1,740,292	-	1,740,292
Governance	-	86,454	86,454
Total 2020	9,327,455	86,454	9,413,909

	Activities undertaken directly 2019 £	Governance costs 2019 £	Total funds 2019 £
Teaching and Academic Services	5,261,767	-	5,261,767
Welfare	1,401,044	-	1,401,044
Premises	1,152,671	-	1,152,671
Support	1,834,330	-	1,834,330
Governance	-	68,276	68,276
Total 2019	9,649,812	68,276	9,718,088

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Notes to the financial statements
for the year ended 31 July 2020

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching and Academic Services 2020 £	Welfare 2020 £	Premises 2020 £	Support 2020 £	Total funds 2020 £
Staff costs	4,260,441	380,899	384,831	1,259,172	6,285,343
Depreciation	263,753	222,522	5,471	26,598	518,344
Supply staff costs	15,175	-	-	-	15,175
Staff discounts	103,008	-	-	-	103,008
Advertising and introductory fees	220,197	-	-	66,419	286,616
Text books and equipment	216,704	-	-	-	216,704
Maintenance	-	-	37,847	-	37,847
Food and subsistence	-	440,047	-	-	440,047
Other overheads	270,670	141,230	624,368	388,103	1,424,371
Total 2020	5,349,948	1,184,698	1,052,517	1,740,292	9,327,455

	Teaching and Academic Services 2019 £	Welfare 2019 £	Premises 2019 £	Support 2019 £	Total funds 2019 £
Staff costs	3,948,326	405,797	417,870	1,260,856	6,032,849
Depreciation	246,130	202,884	1,195	45,111	495,320
Supply staff costs	94,953	-	-	-	94,953
Staff discounts	95,312	-	-	-	95,312
Advertising and introductory fees	236,656	-	-	69,192	305,848
Text books and equipment	215,453	-	-	-	215,453
Maintenance	-	-	136,098	-	136,098
Food and subsistence	-	607,534	-	-	607,534
Other overheads	424,937	184,829	597,508	459,171	1,666,445
Total 2019	5,261,767	1,401,044	1,152,671	1,834,330	9,649,812

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Notes to the financial statements
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Analysis of governance costs

	Governance 2020 £	Total funds 2020 £
Current year		
Auditor's remuneration	16,140	16,140
Governors' expenses	4,440	4,440
Administration costs	65,874	65,874
Total 2020	<u>86,454</u>	<u>86,454</u>

	Governance 2019 £	Total funds 2019 £
Prior year		
Auditor's remuneration	16,493	16,493
Governors' expenses	3,736	3,736
Administration costs	48,047	48,047
Total 2019	<u>68,276</u>	<u>68,276</u>

11. Auditors' remuneration

	2020 £	2019 £
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	12,600	13,200
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<u>3,540</u>	<u>3,293</u>

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Notes to the financial statements
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12. Staff costs

	2020	2019
	£	£
Wages and salaries	5,019,344	5,015,868
Social security costs	508,718	484,008
Contribution to defined contribution pension schemes	757,281	532,973
	<u>6,285,343</u>	<u>6,032,849</u>

Included in the above are redundancy and termination costs of £31,377 (2019: £35,556) of which £nil (2019: £nil) remained unpaid at the year end.

The average number of persons employed by the charitable company during the year was as follows:

	2020	2019
	No.	No.
Employees	143	144

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

	2020	2019
Teaching: Full time	52.40	54.00
Part time	12.60	20.50
Support: Full time	14.50	11.00
Part time	16.88	11.50
Welfare: Full time	11.42	11.00
Part time	7.33	6.46
Premises: Full time	9.00	11.00
Average FTE	<u>124</u>	<u>125</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	1
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	2

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Notes to the financial statements
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13. Governors' remuneration and expenses

There was no Trustees' or Governors' Remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

No Governors, or any persons connected with them, received remuneration during the year. No Trustee received payment for professional or other services supplied to the school (2019: Nil).

The key management of the School comprise the Headmaster, Deputy Head, Head of Pastoral Care, Head of Boarding, Bursar and Directors of School Development. The total employee benefits including employer's national insurance and pension costs of the key management personnel were £880,042 (2019: £817,323).

During the year ended 31 July 2020, no Governor expenses have been incurred (2019 - £NIL).

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computers, software and network £	Motor vehicles £	Total £
Cost					
At 1 August 2019	16,045,581	1,494,644	368,619	226,691	18,135,535
Additions	-	435,737	38,005	-	473,742
Disposals	-	-	-	(89,762)	(89,762)
At 31 July 2020	<u>16,045,581</u>	<u>1,930,381</u>	<u>406,624</u>	<u>136,929</u>	<u>18,519,515</u>
Depreciation					
At 1 August 2019	1,781,112	859,158	157,371	190,859	2,988,500
Charge for the year	312,544	128,800	65,000	12,001	518,345
On disposals	-	-	-	(76,333)	(76,333)
At 31 July 2020	<u>2,093,656</u>	<u>987,958</u>	<u>222,371</u>	<u>126,527</u>	<u>3,430,512</u>
Net book value					
At 31 July 2020	<u><u>13,951,925</u></u>	<u><u>942,423</u></u>	<u><u>184,253</u></u>	<u><u>10,402</u></u>	<u><u>15,089,003</u></u>
At 31 July 2019	<u><u>14,264,469</u></u>	<u><u>635,486</u></u>	<u><u>211,248</u></u>	<u><u>35,832</u></u>	<u><u>15,147,035</u></u>

Freehold land & buildings include land of £1,430,774 which is not depreciated. The balance is depreciated at 2%.

All fixed assets are used for charitable purposes.

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Notes to the financial statements
for the year ended 31 July 2020

14. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows:

	2020	2019
	£	£
Computers, software and network	206,776	206,776
Motor vehicles	35,834	35,834

15. Fixed asset investments

	Shares in group undertaking £
Cost	
At 1 August 2019	100
At 31 July 2020	100

Shares in group undertaking

The charity owns 100% of the share capital of Box Hill School Limited, company number 4275164, which which is dormant.

16. Debtors

	2020	2019
	£	£
Fees receivable	2,514,312	2,818,862
Other debtors	29,758	9,797
Non fee debtors	29,078	52,056
Prepayments and accrued income	19,809	118,236
	2,592,957	2,998,951

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Notes to the financial statements
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17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	395,418	519,655
Trade creditors	16,323	220,842
Other taxation and social security	107,412	134,422
Net obligations under finance lease and hire purchase contracts	61,827	68,143
Deposits	241,180	293,462
Advance fees	280,726	317,094
Deposits	200,140	156,476
Accruals and deferred income	2,977,491	3,484,301
	4,280,517	5,194,395

Advance fees

Parents may enter into a contract to pay to the School up to the equivalent of seven year's tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice.

	2020
	£
Advance fees at 1 August 2019	317,094
Resources deferred during the year	183,077
Amounts released from previous years	(219,445)
Advance fees at 31 July 2020	280,726

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Notes to the financial statements
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18. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	6,231,902	5,744,373
Net obligations under finance lease and hire purchase contracts	78,968	146,889
Other creditors	603,691	705,389
	<u>6,914,561</u>	<u>6,596,651</u>

Included within the above are amounts falling due as follows:

	2020 £	2019 £
Between one and two years		
Bank loans	<u>374,640</u>	<u>519,655</u>
Between two and five years		
Bank loans	<u>5,857,262</u>	<u>1,897,960</u>
Over five years		
Bank loans	<u>-</u>	<u>3,326,758</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2020 £	2019 £
Between one and five years	<u>78,968</u>	<u>146,889</u>
	<u>78,968</u>	<u>146,889</u>

During the year the school refinanced its bank borrowing. The new loan is secured by charges on Box Hill School and Rectory Cottage. Interest accrues at 1.5% above base rate. The loan is repayable in 59 monthly instalments from November 2019 with a repayment holiday granted from April 2020 to March 2021.

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Notes to the financial statements
for the year ended 31 July 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2019	Income	Expenditure	Balance at 31 July 2020
	£	£	£	£
Unrestricted funds				
Designated funds				
Bursary reserve	96,708	(31,243)	-	65,465
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
General funds				
General Funds	7,551,384	9,507,581	(9,616,948)	7,442,017
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Unrestricted funds	<u>7,648,092</u>	<u>9,476,338</u>	<u>(9,616,948)</u>	<u>7,507,482</u>

It is the intention of the Governors that the Bursary Reserve is used only for bursaries and scholarships to be awarded by the school. The amount of the reserve used towards bursaries in the year is shown as a deduction from school fees receivable in note 5.

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Notes to the financial statements
for the year ended 31 July 2020

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2019 £
Unrestricted funds					
Designated funds					
Designated Fund - Fundraising Reserve	-	34,029	(34,029)	-	-
Designated Fund - Bursary Reserve	-	63,708	(490,840)	523,840	96,708
	<u>-</u>	<u>97,737</u>	<u>(524,869)</u>	<u>523,840</u>	<u>96,708</u>
General funds					
General Funds	<u>7,123,896</u>	<u>10,314,989</u>	<u>(9,393,661)</u>	<u>(493,840)</u>	<u>7,551,384</u>
Total Unrestricted funds	<u>7,123,896</u>	<u>10,412,726</u>	<u>(9,918,530)</u>	<u>30,000</u>	<u>7,648,092</u>
Restricted funds					
Restricted Funds - Sports equipment	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
Total of funds	<u><u>7,123,896</u></u>	<u><u>10,442,726</u></u>	<u><u>(9,918,530)</u></u>	<u><u>-</u></u>	<u><u>7,648,092</u></u>

The transfer from Restricted to General Funds in 2019 represents monies received from Box Hill School parents' association for the purchase of sports equipment for the new sports hall which had been incurred in the previous year.

Each year an amount will be transferred from General Funds to the Bursary Reserve to fund current and future bursaries. The amount is calculated by the Governors based on fees receivable and may vary from year to year.

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Notes to the financial statements
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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	15,089,003	15,089,003
Fixed asset investments	100	100
Current assets	3,613,457	3,613,457
Creditors due within one year	(4,280,517)	(4,280,517)
Creditors due in more than one year	(6,914,561)	(6,914,561)
Total	<u>7,507,482</u>	<u>7,507,482</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	15,147,035	15,147,035
Fixed asset investments	100	100
Current assets	4,292,003	4,292,003
Creditors due within one year	(5,194,395)	(5,194,395)
Creditors due in more than one year	(6,596,651)	(6,596,651)
Total	<u>7,648,092</u>	<u>7,648,092</u>

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21. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income/expenditure for the period (as per Statement of Financial Activities)	(140,610)	524,196
Adjustments for:		
Depreciation charges	518,345	495,318
Impairment of investments	-	250
Dividends, interests and rents from investments	(366)	(2,428)
Loss/(profit) on the sale of fixed assets	(4,545)	-
Decrease/(increase) in debtors	405,994	(2,871,144)
Increase/(decrease) in creditors	(885,023)	2,883,750
Interest payable	203,039	200,539
Net cash provided by operating activities	96,834	1,230,481

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,020,500	1,293,052
Total cash and cash equivalents	1,020,500	1,293,052

23. Analysis of changes in net debt

	At 1 August 2019 £	Cash flows £	At 31 July 2020 £
Cash at bank and in hand	1,293,052	(272,552)	1,020,500
Debt due within 1 year	(519,655)	124,237	(395,418)
Debt due after 1 year	(5,744,373)	(487,529)	(6,231,902)
Finance leases	(215,032)	74,237	(140,795)
	(5,186,008)	(561,607)	(5,747,615)

Notes to the financial statements
for the year ended 31 July 2020

24. Pension commitments

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 £671,661 (2019: £469,330) and at the year-end £80,745 (2019: £62,469) 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). 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 judgement 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.

For all other employees the School makes contributions into a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £85,620 (2019: £63,643). Contributions totaling £14,425 (2019 - £9,636) were payable to the fund at the balance sheet date and are included in creditors.

Box Hill School Trust Limited
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 July 2020

25. Operating lease commitments

At 31 July 2020 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	63,011	80,542
Later than 1 year and not later than 5 years	38,355	99,225
	<u>101,366</u>	<u>179,767</u>

26. Related party transactions

During the year the School made payments of £Nil (2019: £7,532) in legal fees to Veale Wasbrough Vizards LLP, a firm in which P Voller (a former Governor) is a partner. At the year end the balance due to Veale Wasbrough Vizards LLP was £Nil (2019: £Nil).

During the year the School paid £19,612 (2019: £28,838) for learning materials to Pearson Education Ltd. D Fallon, a Trustee of the School, is the spouse of the Chief Executive of Pearson PLC, the parent company of Pearson Education Ltd. at the year end the balance due (from) / to Pearson Education was (£590) (2019: £907).