

Company No. 700927  
Charity No. 312082

INSPIRATIONAL  
Box Hill School

**BOX HILL SCHOOL TRUST LIMITED**

**GOVERNORS' REPORT AND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31st July 2021**

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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<b>CONTENTS</b>	<b>PAGE</b>
<b>Governors, Officers and Advisers</b>	<b>2</b>
<b>Annual Report of the Governors</b>	<b>4</b>
<b>Independent Auditor's Report to the Members</b>	<b>21</b>
<b>Statement of Financial Activities (Incorporating the Income and Expenditure Account)</b>	<b>25</b>
<b>Balance Sheet</b>	<b>26</b>
<b>Cash Flow Statement</b>	<b>27</b>
<b>Notes to the Financial Statements</b>	<b>28</b>

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

**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 and General Purpose	Education	Risk and Compliance	Business and Commercial
A Agace					✓
S Bilby					
J Chalker		✓		✓	
J Evans	✓	✓			
D Fallon	✓			✓	
I Gomes		✓			
A Horden		✓			✓
T Johnson				✓	✓
E Knight				✓	
C Man			✓		
P Savage		✓			✓
P Tanner		✓			
C Townsend			✓		
M Whitby		✓			

During the year the activities of the Governing Body were carried out through five 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) - J Thomson BA, MA  
Assistant Head (Pastoral) - S Salmon BA(Hons)Econ, MA Econ, M.ED  
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  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**Advisers**

<b>Independent Auditor</b>	Kreston Reeves LLP Springfield House Springfield Road Horsham West Sussex RH12 2RG
<b>Bankers</b>	Barclays Bank PLC 90-92 High Street Crawley West Sussex RH10 1BP
<b>Solicitors</b>	Moore Barlow LLP The Oriel Sydenham Road Guildford GU1 3SR
<b>Insurance Brokers</b>	Marsh Limited 1-5 Perrymount Road Haywards Heath Surrey RH16 3SY
<b>Website</b>	<a href="http://www.boxhillschool.com">www.boxhillschool.com</a>

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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The Governors of Box Hill School Trust Limited present their Annual Report for the year ended 31st July 2021 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
S Bilby (appointed Dec 20)	Regional Managing Director
J W S Chalker (resigned Dec 20)	Chartered Interior Designer
J A Evans	Financial Services Consultant
I Gomes	Chartered Accountant
A Horden	Programme Director
E Knight	Lawyer
C Man (appointed Dec 20)	Consultant
P Savage	Healthcare Consultant
P Tanner	Chartered Architect
C Townsend	Headmaster Felsted School
M Whitby (appointed Dec 20)	Company Director

**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	H J W Harman	T G Knight
D Korn	Dr H E Ladebeck	D Malcolm-Green
L McComish-Owen	C Mann	A Murugappan
M Pengilley	J Sharpley	G Shenton
R P J Sonneborn	M Sunter	Rev J R Taylor
J Turner	P M G Voller	J G Williams

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

The Charity is governed by its Memorandum & Articles of Association dated 16<sup>th</sup> 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.

Governor appointments are confirmed by a vote at the Annual General Meeting of the Members of the School Company, Governors 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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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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'. The Foundation is connected to the School due to common Trustees.

Round Square (Registered Number 327117).

The School is a member of Round Square and plays a full part in its activities around the world. This is an important association for the School but there is no formal connection between the two charities. 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 of pension changes are communicated to staff electronically.

**Staffing**

At 31st July 2021, the School employed a total of 70 members of academic staff and 55 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 £7,513,781 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 £14,309,114, with related loans of £6,526,053, giving a net amount of £7,783,061 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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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The Governors have always considered that, given the strength of the balance sheet, strong cash flows and popularity of the School, it has sufficient funds available to cover normal fluctuations in working capital but will consider the need to build up free reserves in the future. It is 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 remains the governor's long-term strategy, in light 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.

#### **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:
  - I nternationalism
  - D emocracy
  - E nvironmentalism
  - A dventure
  - L eadership
  - S ervice
  
- 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, and develop the School.

##### **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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**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.
- To carry out the School's charitable objectives for the benefit of the public.

**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 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 20-22**

The School continues to plan ambitiously for the future. Throughout the disruption caused by the pandemic, 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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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- 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 international and junior boarders,
  3. Revenue growth via in-country partnerships in overseas territories allowing the BHS brand to reach new markets post-Covid
  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 20 – 21 included:

- communicating high expectations to all staff
- Maximising examination outcomes through highly diligent use of Teacher Assessed Grades (TAG)
- setting challenging target grades and communicating these to pupils and parents;
- Continuing monitoring of teaching and learning through formal and informal lesson observations, department reviews and common teaching and learning appraisal objectives;
- Building best practice within teams to ensure compliance with regulations.
- Ensuring that PSHEE teaching and learning is innovative, engaging, and dynamic, promoting positive learning experiences, and introduces RSE.
- Actively promoting pupil voice and pupil leaders.
- Actively promoting an understanding of key issues including 'BLM', and 'Everyone's Invited'
- Establishing a formal training programme for Syndicate members.
- Building on work undertaken with feeder schools
- Defining and promoting the Sixth Form 'offer' to Yr10 & Yr11 students, parents and agents.
- Ensuring the Schools IT systems, equipment and infrastructure are secure and fit for purpose

During the year ended July 2021, the School continued to be impacted significantly by the global Covid-19 pandemic. 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 continued 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 January 2021 the Government again 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 as in the previous lockdown 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. 100% of all teaching, 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.

Multiple scenario planning for school re-opening continued across all departments in the School with the result that Box Hill was ready for the return to school experience.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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Running in parallel to the work to minimise the impact on students' academic progress and wellbeing significant emphasis was put on the School's financial situation by the Governors and the Executive. As the School was not able to provide a boarding experience to its pupils it was necessary to discount boarding fees to reflect this. The Governors carefully considered the extent of this discount and ensured it was at a level that minimised the impact on the School's finances. The effect of the discount can be seen in the income statement where it has reduced revenue, the Governors did not discount fees for day students as pupils continued to receive full time education during the closure. The discount was well received by the community and the vast majority of parents paid the fees due in full.

Immediately on quantifying the immediate impact and challenge of the move to remote learning the School's Chief Operating Officer 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 School also worked closely with its bankers in this period.

The Board continued to meet its objectives during lock down by;

- Allocating resources to ensure that the School was able to provide high quality online learning and pastoral support until pupils were able to return to the School
- Holding regular additional Board meetings to determine strategy and lead planning
- Keeping abreast of government advice and communications around Covid-19 and ensuring government guidance was implemented by the School
- Seeking information and guidance from relevant bodies such as SOH, ISBA, insurers, etc
- Reviewing and monitoring the detailed health and safety risk assessments and financial planning carried out by the School.

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 6.5% of fee income.

This year, the value of scholarships, bursaries and other awards made to the School's pupils out of unrestricted funds was £571,254 to a total of 147 pupils where the aim, in addition to the awards set out in the Scholarships and 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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

Number of bursaries and scholarships awarded during the year:

	2021		2020	
Bursaries and sibling discounts	33 pupils	£293,767	30 pupils	£282,967
Scholarships	114 pupils	£277,487	116 pupils	£277,228
		£571,254		£560,195

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.

***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. Whilst Covid-19 impacted the opportunities to reach out physically to other schools, it should be noted that the Headmaster continued as a Governor at Powell Corderoy Primary School (Dorking) with oversight of KS2 curriculum through the pandemic.

In addition, the Headmaster continued as 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 typically represent an agency (eg the council; the CCG; Surrey Police) or a 'constituency' (eg schools; Third Sector). All have statutory responsibilities in respect of safeguarding children. 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.
- Prior to the Covid-19 pandemic the School engaged in a partnership with a local state primary school. This partnership involved the School providing the use of its facilities and teaching resources to support the primary school and give its' pupils access to a broader range of experiences than would have been available otherwise. We hope that this partnership will be renewed in the post pandemic era when circumstances allow

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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***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 initiatives:

- This year we partnered with Maggie's Centres to support their fundraising projects. Together we continued the charity cycle event which was hosted by the School. It is very positive and welcomed by the School that this has become an annual event despite Covid.
  
- 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, work continues to make this happen in the coming year.

**Box Hill School has provided;**

- Support to local businesses by sourcing wherever possible supplies and services from the local area (for example local contractors, florists, etc), School uniform is provided by a local business
- Participation in community events (local Remembrance services etc)
- The use of local places of worship (Carol concert etc open to the public)
- Charity work by staff and students in a variety of different contexts
- Staff participation in Covid response especially with regard to practical medical contributions (eg Nurses participation in NHS relief etc)

**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 previous year the work of the Development Office, including both fundraising campaigns and alumni relations, was indefinitely suspended as a result of the Covid-19 pandemic and its impact on the School. This suspension continued in the year ended July 2021. Parents continued to be unable to run events and activities that would have raised funds for the School. Equally the usual operations of the Parents' Association did not take place which has hindered the allocation of funds already raised. Furthermore, it was not appropriate or possible to conduct the smaller scale 'business as usual' fundraising activities of previous years.

During the current academic year, the School will revisit the timing and fundraising plans for the Creative Hub in line with other strategic factors to determine the appropriate time to relaunch the fundraising campaign.

During the year there were no instances where the School failed to comply with its fundraising regulatory obligations and there were no complaints regarding its previous fundraising activities. All the School's fundraising efforts are undertaken in a respectful, consensual and non-intrusive manner. 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. The School actively avoids approaching vulnerable people as part of its fundraising activities.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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## **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 and remains to become the first-choice school both locally and globally for those families that understand that education is about growing the whole person. A key strategic aim is to maintain a full school roll and the School successfully reached its cap of 425 students prior to the COVID-19 lockdown in January 2020. The pandemic saw numbers of international boarders fall, and the current strategy is to rebuild boarding numbers to pre-pandemic levels.

Work on the development new 5 year plan took place during 20-21 and shortly after the year-end the board met with the executive to agree the strategic elements of this. The detail of this continues to be developed, however the core objectives from a financial perspective are as follows:

The School seeks, as part of the developing plan, to grow revenue through the exploration of physical and virtual opportunities globally whilst ensuring core revenues recover to pre-Covid levels. The following key objectives will support this aim:

- Preparing for growth and expansion initiatives,
- Exploration and execution of a physical presence overseas,
- Via the 5 Year Digital strategy, the embedding of a digital foundation and skills base to enable the creation of an innovative and distinct online portfolio,
- Rebuilding boarding numbers to the levels enjoyed before the Covid-19 Pandemic including a focus on British Boarding and Flexi-Boarding.

The School seeks to move to a budgeted surplus by the end of FY2021/22 with surpluses increasing each year thereafter. These surpluses will be used to rebuild cash reserves for campus development, debt repayment and to build resilience against external financial risks.

This will be achieved in the following ways:

- Establishing, over 5 years, cash reserves that are sufficient to insulate against financial risks,
- By controlling the cost base to ensure that expenditure is incurred where necessary to support the objectives of the School and in a controlled manner ensuring value for money,
- By reviewing the staffing and structures of the School and if necessary making adjustments to ensure they appropriately meet the needs of the organisation,
- Developing the line-management structure to be clear, robust and accepted in terms of both accountability and empowerment,
- By continually reviewing the financial strategy of the School to ensure expeditious repayment of debt whilst ensuring funds are made available, where possible, for investment in the School's assets and people.

### **Investment in the School's Assets and People**

The School seeks to use a return to profitability to invest in its core assets and people by;

- Undertaking a workforce review with the aim of the School becoming an employer of choice by ensuring a pay structure, benefits package and working conditions that are fair and transparent,
- Delivering on a digital vision that *"Equips every student for their digital future by building a modern and secure digital infrastructure that enables outstanding and innovative educational delivery by digital experts"*
- Identifying the appropriate time to relaunch the Capital Campaign for the Creative Hub,
- Reviewing the physical footprint of the School via a Campus Development Plan to ensure that the facilities are fit for purpose, high quality and configured to support the development of the School.
- Committing to the 'environmental' RS Ideal through growth that is built around sustainability and an awareness of and priority given to environmental considerations.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**Academic**

Our level 9-4 pass rate was 91% with a level 7+ rate of 29%. This was a very strong performance and if compared to historic data, these represent our best ever GCSE results.

At A-level, we achieved a 100% pass rate (A\*-E) and 56% A\*-B which, again, are our best ever performance compared to historic data. Most students have either met their firm or insurance choice university criteria.

At IB we achieved a diploma average of 34 points, above the world average of 33.02 points. Our highest diploma score was 41 points.

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 and compare very positively to national and world averages which our results exceed without exception.

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. Lessons always show strong evidence of differentiation for all learners.

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 almost all 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, Deputy and Assistant Head through unannounced lesson drop-ins, departmental reviews and by Appraisal Reviewers and Heads of Department. The Deputy or Head of Department undertakes observations 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.

The years 7 to 9 Curriculum feeds into GCSE, and beyond but includes diverse, real-world issues and activities that prepare young people for the modern world. Topics are taught in an inclusive manner, in-keeping with the Round Square IDEALS.

Venturing outside the classroom in all subjects is encouraged. Maths and English lessons benefit from the use of our beautiful grounds and might for example, use trigonometry to measure the heights of buildings or use the stunning landscape in surrounding areas to inspire creative writing.

A 'daring' approach to teaching and learning is encouraged with an emphasis on key skills required for the modern world, beyond academic results, including: problem solving, team work and communications. We aim to 'feed imaginations' by promoting discussion and debate around issues beyond the scheme of work in the class work and encourage freedom of thought in open-ended tasks.

Students are clear on where they stand in each subject against exam criteria and have specific feedback about what needs to be done to improve and reach their potential defined as a target grade which does not need to be a 'cap'.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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### **Pastoral**

The School understands just how critical the pastoral care of its pupils is for their all-round development. It is vital that we continue to drive this forward and so we continue to proactively pursue character education.

The mission (vision statement) of Box Hill School 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 Box Hill School. 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 Box Hill School 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. 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 School employs a PSHEE specialist to deliver the curriculum. The PSHEE curriculum has been further improved and amended in line with legislation. The programme is reviewed annually by the 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 students. We invite guest speakers to come in and provide training or support for students on topics that are relevant and challenging. All Lower 6th 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 and boarding 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 *November*, for example, to raise money for charity. The School community regularly raises money from various small scale projects including for example, a cake sale run by the MFL department on the European Day of Languages. 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, collections for, and service at, several local food banks and a shoebox collection.

In addition, the School also supports the village church. This is in addition, to service projects pursued by individual pupils as part of CAS, Round Square and the Duke of Edinburgh's Award scheme which this year have included volunteering at a local Scout group, local charity shops, a community garden, riding stables and museums, litter picking, peer mentoring and coaching sport for younger children.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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### **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, the School operated as normally as possible with considerable success.

Expeditions remain a core part of what pupils in KS3 experience. 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.

The activities programme, sport and drama also routinely encourage working together. 35 pupils of varying ages have worked collaboratively on the latest School production.

### **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 for the second time in January, boarding had continued to thrive at the School. Numbers were stable. The provision in place had continued to build on the foundation set in earlier years, with plenty of weekend trips for the borders 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.

In particular, it should be noted that since May 2021 and the global reassurance provided by the successful UK-wide vaccination roll-out, numbers of boarders committing to the School have been buoyant with new sign-ups every week.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**Financial Review & Results for the Year**

The results for the year are set out in detail on page 25. With income of £8,870,910 the School had an operating surplus of £6,299 (2020 deficit: £140,610). The surplus this year is lower than anticipated as a direct result of the continued 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 January term boarding 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 and cost savings made as a result of a reduced physical operation in the second term.

Due to the ongoing practical and financial impacts of the pandemic investment in the Schools facilities was restricted, for the most part, to essential maintenance during the year. The Governing Board and the Executive are acutely aware of the importance of investment in the School's facilities and intend, via the production of a Campus Development Plan, to assess and plan for the School's requirements in the coming five years and beyond.

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 2021 with 391 pupils which is only a 7% decline on the pre-lockdown roll of 425. The decline continues to be driven by the expected and sector wide fall in recruitment from overseas markets, particularly China, as a result of the Covid-19 pandemic, the outlook for these markets is starting to look more positive
- The revised student numbers lead to a budget and cash flow forecast that is manageable and achievable for the School and does not indicate any cash flow issues in the coming 12-24 months
- The School has repaid a £1m government backed business interruption loan which was drawn down as a safety net should cash flows deteriorate. The Board and Executive are sufficiently confident in the School's cash flow that the loan has been repaid prior to it becoming interest bearing
- The repayment of the loan was supported in part by the sale of a property during the year. The board carefully reviewed the asset base in the School as part of its response to the financial challenges posed by Covid and deemed the sale to be the most prudent course of action to continue to protect the long term interests of the School

The reserves of the School represent the unrestricted funds which the Governors are free to use in accordance with its charitable objects. The reserves held are required to finance the freehold property and to cover normal fluctuations in working capital. The reserves have accumulated to £7,513,781 and reflect the significant cost of the School's freehold land and buildings.

During the year the governing board completed a consultation with teaching staff regarding the School's continued membership of the Teachers' Pension Scheme. The consultation involved in depth conversations with teachers as to the long term risks to the Schools' financial position posed by continued membership of this defined benefit Scheme weighed against the need to ensure that teaching staff continue to feel valued and have confidence in their long-term financial security. The consultation was driven by the recent, significant, increase in employer contributions to the scheme and the pressure this puts on the School finances as well as the expectation of further increases in the medium term.

The outcome of the consultation, agreed by all parties, was that the School would adopt a "mixed economy" approach whereby existing staff would stay in the scheme and be subject to a combination of a pay freeze for 3 years and a 1% pay cut for 2 years. New staff will be enrolled in a new, defined contribution, scheme. The Governors feel that this outcome mitigates some of the current cost pressures caused by the recent increase whilst allowing the School to gradually exit the scheme through natural turnover of staff. The Governors will review the situation again if further substantial increases in contributions are announced

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**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 for a second time 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.
- Like all schools, issues of safeguarding and health and safety are of critical importance and represent a significant ongoing risk to the School. The School dedicates significant internal resource to ensuring a safe and healthy environment for the children where the wellbeing of all is paramount. The School also engages external advisors to ensure compliance and best practice is being adhered to.

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.
- 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.

A new risk has been identified relating to environmental sustainability, following the increased focus on all organisations to reduce carbon emissions to meet the Government's legal duty to reach net carbon zero by 2050. All committees have an awareness of their obligation to include sustainability within their decision making.

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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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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;
- 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.

#### **STATEMENT OF ACCOUNTING RESPONSIBILITIES**

The Trustees (who are also the directors of Box Hill School Trust Limited for the purposes of company law) are responsible for preparing the Report of the Governors including the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees 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 company and the income and expenditure of the company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **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.

**BOX HILL SCHOOL TRUST LIMITED  
GOVERNORS, OFFICERS AND ADVISERS  
FOR THE YEAR ENDED 31st July 2021**

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**Relevant Audit Information**

Kreston Reeves are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 2006 which continues in force under the Charities Act 2011.

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 on the 10th November 2021, 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 10th November 2021

**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 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

**Other information**

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

We have nothing to report in this regard.

**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.

**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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

*Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the charitable company and sector, and through discussion with the Governors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to safeguarding, health and safety legislation and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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

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

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

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

- 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

17 November 2021

**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 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	119,803	119,803	211,472
Charitable activities:	4			
School fees receivable		8,412,279	8,412,279	8,863,553
Ancillary trading income		148,775	148,775	396,402
Investments	7	53	53	366
Other income	8	190,000	190,000	4,545
<b>Total income</b>		<b>8,870,910</b>	<b>8,870,910</b>	<b>9,476,338</b>
<b>Expenditure on:</b>				
Charitable activities		8,723,936	8,723,936	9,413,909
Other expenditure	9	140,675	140,675	203,039
<b>Total expenditure</b>		<b>8,864,611</b>	<b>8,864,611</b>	<b>9,616,948</b>
<b>Net movement in funds</b>		<b>6,299</b>	<b>6,299</b>	<b>(140,610)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		7,507,482	7,507,482	7,648,092
<b>Total funds carried forward</b>		<b>7,513,781</b>	<b>7,513,781</b>	<b>7,507,482</b>

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

The notes on pages 28 to 47 form part of these financial statements.

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

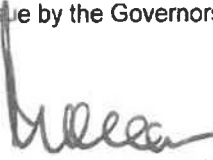
**Balance sheet**  
**as at 31 July 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	14,309,114	15,089,003
Investments	15	100	100
		<u>14,309,214</u>	<u>15,089,103</u>
<b>Current assets</b>			
Debtors	16	2,654,350	2,592,957
Cash at bank and in hand		1,796,842	1,020,500
		<u>4,451,192</u>	<u>3,613,457</u>
Creditors: amounts falling due within one year	17	(4,117,126)	(4,280,517)
<b>Net current assets / liabilities</b>		<u>334,066</u>	<u>(667,060)</u>
<b>Total assets less current liabilities</b>		<u>14,643,280</u>	<u>14,422,043</u>
Creditors: amounts falling due after more than one year	18	(7,129,499)	(6,914,561)
<b>Net assets</b>		<u>7,513,781</u>	<u>7,507,482</u>
<b>Total net assets</b>		<u><u>7,513,781</u></u>	<u><u>7,507,482</u></u>
<b>Charity funds</b>			
Restricted funds	19	-	-
Unrestricted funds	19	7,513,781	7,507,482
<b>Total funds</b>		<u><u>7,513,781</u></u>	<u><u>7,507,482</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

  
 .....  
**I Gomes**  
 Governor and Chair of Finance and General Purpose Committee

Date: 10 November 2021

The notes on pages 28 to 47 form part of these financial statements.

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

**Statement of cash flows**  
**for the year ended 31 July 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>163,067</b>	96,834
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	53	366
Purchase of tangible assets	<b>(90,150)</b>	(473,742)
Sales proceeds from tangible fixed assets	<b>510,800</b>	17,974
<b>Net cash provided by/(used in) investing activities</b>	<b>420,703</b>	<b>(455,402)</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowing	<b>(601,267)</b>	(6,448,480)
New loans	<b>1,000,000</b>	6,811,772
Capital element of finance lease rentals	<b>(65,486)</b>	(74,237)
Interest paid	<b>(140,675)</b>	(203,039)
<b>Net cash provided by financing activities</b>	<b>192,572</b>	<b>86,016</b>
<b>Change in cash and cash equivalents in the year</b>	<b>776,342</b>	<b>(272,552)</b>
Cash and cash equivalents at the beginning of the year	<b>1,020,500</b>	1,293,052
<b>Cash and cash equivalents at the end of the year</b>	<b>1,796,842</b>	1,020,500

The notes on pages 28 to 47 form part of these financial statements

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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.

The presentational currency of the financial statements is £ sterling.

The figures in the financial statements have been rounded to the nearest £1.

**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.

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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 fulfillment 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 2021**

**1. Accounting policies (continued)**

**1.5 Expenditure (continued)**

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

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.

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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.

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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.

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

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations	8,183	<b>8,183</b>	1,817
Grants	111,620	<b>111,620</b>	209,655
<b>Total 2021</b>	<b>119,803</b>	<b>119,803</b>	<b>211,472</b>

All donations received in the prior year were to unrestricted funds.

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Teaching and Academic Services (Note 5)	8,412,279	<b>8,412,279</b>	8,863,553
Ancillary trading income (Note 6)	148,775	<b>148,775</b>	396,402
<b>Total 2021</b>	<b>8,561,054</b>	<b>8,561,054</b>	<b>9,259,955</b>

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

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**5. School fees receivable**

	2021 £	2020 £
Board and tuition fees	8,790,796	9,313,991
Fees in lieu of notice	192,737	109,757
Scholarships and bursaries	(571,254)	(560,195)
	<u>8,412,279</u>	<u>8,863,553</u>

**6. Ancillary trading income**

	2021 £	2020 £
Income from extra tuition	85,844	193,284
Courses and sub-lettings	22,681	182,092
Registration fees	40,250	21,026
	<u>148,775</u>	<u>396,402</u>

**7. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest receivable	53	53	366
	<u>53</u>	<u>53</u>	<u>366</u>

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

**8. Other incoming resources**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Gain on disposal of tangible fixed assets	190,000	190,000	4,545
	<u>190,000</u>	<u>190,000</u>	<u>4,545</u>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**9. Other expenditure**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Interest on bank loans and overdrafts	106,431	<b>106,431</b>	168,766
Finance lease charges	34,244	<b>34,244</b>	34,273
<b>Total 2021</b>	<u>140,675</u>	<u><b>140,675</b></u>	<u>203,039</u>

All other expenditure in the prior year was from unrestricted funds

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Governance costs 2021 £</b>	<b>Total funds 2021 £</b>
Teaching and Academic Services	5,117,934	-	<b>5,117,934</b>
Welfare	1,079,095	-	<b>1,079,095</b>
Premises	864,709	-	<b>864,709</b>
Support	1,583,344	-	<b>1,583,344</b>
Governance	-	78,854	<b>78,854</b>
<b>Total 2021</b>	<u>8,645,082</u>	<u>78,854</u>	<u><b>8,723,936</b></u>

	<b>Activities undertaken directly 2020 £</b>	<b>Governance costs 2020 £</b>	<b>Total funds 2020 £</b>
Teaching and Academic Services	5,349,948	18,178	5,368,126
Welfare	1,184,698	-	1,184,698
Premises	1,052,517	-	1,052,517
Support	1,740,292	-	1,740,292
Governance	-	68,276	68,276
<b>Total 2020</b>	<u>9,327,455</u>	<u>86,454</u>	<u>9,413,909</u>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**10. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Teaching and Academic Services 2021 £</b>	<b>Welfare 2021 £</b>	<b>Premises 2021 £</b>	<b>Support 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	4,137,738	347,531	274,778	1,063,037	<b>5,823,084</b>
Depreciation	264,394	218,035	-	66,810	<b>549,239</b>
Staff discounts	118,962	-	-	-	<b>118,962</b>
Advertising and introductory fees	116,979	-	-	66,753	<b>183,732</b>
Text books and equipment	155,489	-	-	-	<b>155,489</b>
Maintenance	-	-	30,551	-	<b>30,551</b>
Food and subsistence	-	395,307	-	-	<b>395,307</b>
Other overheads	324,372	118,222	559,380	386,744	<b>1,388,718</b>
<b>Total 2021</b>	<b>5,117,934</b>	<b>1,079,095</b>	<b>864,709</b>	<b>1,583,344</b>	<b>8,645,082</b>

	<b>Teaching and Academic Services 2020 £</b>	<b>Welfare 2020 £</b>	<b>Premises 2020 £</b>	<b>Support 2020 £</b>	<b>Total funds 2020 £</b>
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
<b>Total 2020</b>	<b>5,349,948</b>	<b>1,184,698</b>	<b>1,052,517</b>	<b>1,740,292</b>	<b>9,327,455</b>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**  
**Analysis of governance costs**

	<b>Governance 2021 £</b>	<b>Total funds 2021 £</b>
<b>Current year</b>		
Auditor's remuneration	17,304	<b>17,304</b>
Governors' expenses	894	<b>894</b>
Administration costs	60,656	<b>60,656</b>
	<hr/>	<hr/>
<b>Total 2021</b>	<b>78,854</b>	<b>78,854</b>
	<hr/> <hr/>	<hr/> <hr/>

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

**11. Auditors' remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the charitable company's auditor for the audit of the charitable company's annual accounts	<b>12,804</b>	12,600
Fees payable to the charitable company's auditor in respect of: All non-audit services not included above	<b>4,500</b>	3,540
	<hr/> <hr/>	<hr/> <hr/>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**12. Staff costs**

	2021 £	2020 £
Wages and salaries	4,571,361	5,019,344
Social security costs	515,502	508,718
Contribution to defined benefit and defined contribution pension schemes	736,221	757,281
	<u>5,823,084</u>	<u>6,285,343</u>

Included in the above are redundancy and termination costs of £nil (2020: £31,377) of which £nil (2020: £nil) remained unpaid at the year end.

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

	2021 No.	2020 No.
Employees	<u>147</u>	<u>143</u>

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

	2021	2020
Teaching: Full time	53.92	52.40
Part time	16.42	12.60
Support: Full time	13.50	14.50
Part time	15.00	16.88
Welfare: Full time	11.00	11.42
Part time	6.00	7.33
Premises: Full time	9.00	9.00
<b>Average FTE</b>	<u>125</u>	<u>124</u>

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	2	2
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	1

The key management personnel of the School comprise the Headmaster, Chief Operating Officer, Deputy Head, Assistant Head (Pastoral), Head of Boarding, Director of Admissions & Curriculum and Director of Communication. The total employee benefits including employer's national insurance and pension costs of the key management personnel were £754,536 (2020: £880,042).

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**13. Governors' remuneration and expenses**

During the year, no Governors received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 July 2021, no Governor expenses have been incurred (2020 - £NIL).

**14. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Computers, software and network £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 August 2020	16,045,581	1,930,381	406,624	136,929	18,519,515
Additions	18,464	38,794	32,892	-	90,150
Disposals	(400,000)	(800)	(1,056)	-	(401,856)
At 31 July 2021	<u>15,664,045</u>	<u>1,968,375</u>	<u>438,460</u>	<u>136,929</u>	<u>18,207,809</u>
<b>Depreciation</b>					
At 1 August 2020	2,093,656	987,958	222,371	126,527	3,430,512
Charge for the year	264,259	190,901	97,118	(3,039)	549,239
On disposals	(80,000)	-	(1,056)	-	(81,056)
At 31 July 2021	<u>2,277,915</u>	<u>1,178,859</u>	<u>318,433</u>	<u>123,488</u>	<u>3,898,695</u>
<b>Net book value</b>					
At 31 July 2021	<u>13,386,130</u>	<u>789,516</u>	<u>120,027</u>	<u>13,441</u>	<u>14,309,114</u>
At 31 July 2020	<u>13,951,925</u>	<u>942,423</u>	<u>184,253</u>	<u>10,402</u>	<u>15,089,003</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.

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

	2021 £	2020 £
Computers, software and network	79,423	134,947
Motor vehicles	13,441	32,842

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**15. Fixed asset investments**

	<b>Shares in group undertaking £</b>
<b>Cost or valuation</b>	
At 1 August 2020	<b>100</b>
At 31 July 2021	<b>100</b>

**Shares in group undertaking**

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

**Principal subsidiaries**

The following was a subsidiary undertaking of the charitable company:

The financial results of the subsidiary for the year were:

**16. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Fees receivable	<b>2,617,696</b>	2,514,312
Other debtors	<b>11,548</b>	58,836
Prepayments and accrued income	<b>25,106</b>	19,809
	<b>2,654,350</b>	2,592,957

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**17. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>394,257</b>	395,418
Trade creditors	<b>91,881</b>	16,323
Other taxation and social security	<b>124,158</b>	107,412
Net obligations under finance lease and hire purchase contracts	<b>61,827</b>	61,827
Deposits	<b>191,495</b>	241,180
Advance fees	<b>121,716</b>	280,726
Other creditors	<b>175,012</b>	200,140
Accruals and deferred income	<b>2,956,780</b>	2,977,491
	<b>4,117,126</b>	4,280,517

**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.

	<b>2021</b>
	<b>£</b>
Advance fees at 1 August 2020	<b>280,726</b>
Resources deferred during the year	<b>261,822</b>
Amounts released from previous years	<b>(351,234)</b>
<b>Advance fees at 31 July 2021</b>	<b>191,314</b>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**18. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Bank loans	6,631,796	6,231,902
Net obligations under finance lease and hire purchase contracts	13,482	78,968
Deposits	484,221	603,691
	<u>7,129,499</u>	<u>6,914,561</u>

Included within the above are amounts falling due as follows:

	2021 £	2020 £
<b>Between one and two years</b>		
Bank loans	<u>415,603</u>	<u>374,640</u>
<b>Between two and five years</b>		
Bank loans	<u>6,216,193</u>	<u>5,857,262</u>
<b>Over five years</b>		

The bank 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 47 monthly installments from November 2019 with a repayment holiday granted from April 2020 to March 2021.

The school also has a Coronavirus Business Interruption Loan, with an outstanding balance of £500,000 at 31 July 2021. This has been repaid in full subsequent to the year end.

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**19. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Bursary reserve	65,465	-	-	65,465
<b>General funds</b>				
General Funds	7,442,017	8,870,910	(8,864,611)	7,448,316
<b>Total Unrestricted funds</b>	<b>7,507,482</b>	<b>8,870,910</b>	<b>(8,864,611)</b>	<b>7,513,781</b>

It is the intention of the Governors that the Bursary Reserve is used only for bursaries and scholarships to be awarded by the school. An amount may be transferred from General Funds to the Bursary Reserve as calculated by the Governors based on fees receivable and will vary from year to year. The amount of the reserve used towards bursaries in a particular year is shown within the total bursaries deducted from school fees receivable in note 5.

**Statement of funds - prior year**

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

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	14,309,114	<b>14,309,114</b>
Fixed asset investments	100	<b>100</b>
Current assets	4,451,192	<b>4,451,192</b>
Creditors due within one year	(4,117,126)	<b>(4,117,126)</b>
Creditors due in more than one year	(7,129,499)	<b>(7,129,499)</b>
<b>Total</b>	<b>7,513,781</b>	<b>7,513,781</b>

**Analysis of net assets between funds - prior year**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
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)
<b>Total</b>	<b>7,507,482</b>	<b>7,507,482</b>

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

**Notes to the financial statements**  
**for the year ended 31 July 2021**

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

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	6,299	(140,610)
<b>Adjustments for:</b>		
Depreciation charges	549,239	518,345
Dividends, interests and rents from investments	(53)	(366)
Profit on the sale of fixed assets	(190,000)	(4,545)
Decrease/(increase) in debtors	(61,393)	405,994
Decrease in creditors	(281,700)	(885,023)
Interest payable	140,675	203,039
<b>Net cash provided by operating activities</b>	<b>163,067</b>	<b>96,834</b>

**22. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand	1,796,842	1,020,500
<b>Total cash and cash equivalents</b>	<b>1,796,842</b>	<b>1,020,500</b>

**23. Analysis of changes in net debt**

	At 1 August 2020 £	Cash flows £	Other non- cash changes £	At 31 July 2021 £
Cash at bank and in hand	1,020,500	776,342	-	1,796,842
Debt due within 1 year	(395,418)	101,267	(100,106)	(394,257)
Debt due after 1 year	(6,231,902)	(500,000)	100,106	(6,631,796)
Finance leases	(140,795)	65,486	-	(75,309)
	<b>(5,747,615)</b>	<b>443,095</b>	<b>-</b>	<b>(5,304,520)</b>

**Notes to the financial statements**  
**for the year ended 31 July 2021**

**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 £659,884 (2020: £676,913) and at the year-end £76,337 (2020: £80,368) 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 £76,337 (2020: £85,620). Contributions totaling £nil (2020 - £14,425) 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 2021**

**25. Operating lease commitments**

At 31 July 2021 the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2021</b>	2020
	<b>£</b>	£
Not later than 1 year	<b>74,737</b>	63,011
Later than 1 year and not later than 5 years	<b>51,700</b>	38,355
	<u><b>126,437</b></u>	<u>101,366</u>

**26. Related party transactions**

During the year the School paid £47,342 (2020: £19,612) 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 to Pearson Education was £371 (2020: £590 due from Pearson Education).