

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 31 JULY 2022**

**BOX HILL SCHOOL TRUST LIMITED
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2022**

CONTENTS	PAGE
Governors, Officers and Advisers	2
Annual Report of the Governors	4
Independent Auditor's Report to the Members	18
Statement of Financial Activities (Incorporating the Income and Expenditure Account)	22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25

**BOX HILL SCHOOL TRUST LIMITED
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2022**

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 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

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 31 JULY 2022**

Advisers

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

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

The Governors of Box Hill School Trust Limited present their Annual Report for the year ended 31st July 2022 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	Regional Managing Director
J A Evans	Financial Services Consultant
I Gomes	Chartered Accountant
A Horden	Programme Director
E Knight (resigned June 22)	Lawyer
C Man	Consultant
P Savage	Healthcare Consultant
P Tanner (resigned Jan22)	Chartered Architect
C Townsend	Headmaster Felsted School
M Whitby	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	J W S Chalker	Dr A M Dempsey	
G Douglass	T Fox-Young	H J W Harman	
T G Knight	D Korn	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
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Recruitment and Appointment of New Governors

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

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

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

Induction and Training of Governors

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

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

Organisational Management

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

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

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

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

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

Connected Charities

The McComish Foundation (Registered Number 298358).

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

Round Square (Registered Number 327117).

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

Employment Policy

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

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

Information of pension changes are communicated to staff electronically.

Staffing

At 31st July 2022, the School employed a total of 72 members of academic staff and 58 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 £7,253,091 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 £14,028,578 with related loans of £6,242,534 giving a net amount of £7,786,044 which is in excess of total funds. This shows that after taking into account the significant investment in the School's campus and buildings and associated loan financing there are currently no free reserves. This is common in independent schools which have to finance their own capital investment.

The Governors have always considered that, given the strength of the balance sheet, strong cash flows and popularity of the school, it has 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.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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. This sound general education has continued to flourish this academic year.

Mission Statement

- This year the mission statement of the school was modified to better reflect the focus on citizenship schools across our curriculum; "To create successful global citizens who will always make a difference in the world around them through the Round Square IDEALS", which are:
 - Internationalism
 - Democracy
 - Environmentalism
 - Adventure
 - Leadership
 - Service

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

The School's charitable status means that it does not make a profit, however the Governors must budget for a surplus over expenditure in order to maintain the buildings and equipment in good order, 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
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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 comply with the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

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;
- To use the range of skill sets and capacity within the school for the positive benefit of the local community.

Strategies to achieve primary objectives 2021-22

The School continues to plan ambitiously for the future and the Governing Body continued to work with the Executive in progressing the five-year plan, the two main objectives of which are:

Investment in people, pedagogy, student experience, and diversity

In order to achieve this the School is focused, 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
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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 Box Hill School 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 two core objectives during the year 21-22 included:

- Communicating high expectations of staff
 - 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
 - Actively promoting pupil voice and pupil leaders
 - Actively promoting an understanding of key issues including “BLM” and “Everyone’s invited”
 - Defining and promoting the Sixth Form “offer” to Year 10 and Year 11 students, parents and agents
 - Continuing to build on work undertaken with feeder schools
 - Ensuring the Schools IT systems, equipment and infrastructure are secure and fit for purpose
 - Engaging an external consultant to develop the school’s approach to equality, diversity and inclusion, as well as working towards progress measured against the Rainbow Flag award.
 - Establishing a working party to develop a sustainability policy and commissioned an external consultant to undertake an assessments of the school’s carbon footprint. We declared an ambition to be a net carbon zero school by 2030. Student voice and involvement through The Green Team and The Eco School Committee.
 - Finalising a restructure of the SLT to allow it to operate in a more streamlined and effective way
 - Progressing the Campus Development Plan through continued and restarted (post-Covid) maintenance of the campus and some small but impactful projects for instance a modernisation of bathroom facilities in boarding houses
 - Appointing, after a rigorous tender process, a new catering provider which will lead to a significant change to the food offering and includes plans for a modernised dining hall
 - Developing a statement of 7 positive core values espoused by the School to capture our unique cultural philosophy was developed and communicated to staff and pupils during the year.
- These are;

- Be respectful
- Be ready
- Be proud
- Be kind
- Be courageous
- Be positive
- Be your best

During the year ended July 2022, the school continued to make important steps in recovery from the impact of the global Covid-19 pandemic. This impact required a substantial re-imagining of the plan to focus on the wellbeing of students, their continued virtual educational provision and short-term business imperatives. Boarding numbers improved significantly over the course of the year and campus development projects were re-started.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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 5.9% of fee income.

This year, the value of scholarships, bursaries and other awards made to the School's pupils out of unrestricted funds was £563,408 to a total of 145 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.

Number of bursaries and scholarships awarded during the year:

	2022		2021	
Bursaries and sibling discounts	26 pupils	£260,362	33 pupils	£293,767
Scholarships	119 pupils	£303,046	114 pupils	£277,487
		£563,408		£571,254

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. Of particular note is the School's close association with the State Sector through our voluntary partnership with Powell Corderoy Primary School (Dorking) where in particular the School has provided;

- The Headmaster's role as governor of the school with oversight of KS2 curriculum
- Use of BHS minibuses
- The teaching of Spanish facilitated by BHS staff given time for the purpose
- The donation of a large number of books for the Powell Library
- Consultation regarding marketing and admissions
- Appraisal of the Headteacher and informal advice
- Consultation regarding library stock and use.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

In addition, the Headmaster continued as the Independent School's representative on the Surrey County Council Safeguarding Forum. Members of the Partnership typically represent an agency (e.g. the council; the CCG; Surrey Police) or a 'constituency' (e.g. schools; Third Sector). All have statutory responsibilities in respect of safeguarding children.

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;

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 continue to host the annual Maggie's Surrey Cycle Challenge which is that charity's flagship fundraising event.

In addition 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 many different contexts

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 Covid crisis the work of the Development Office, including both fundraising campaigns and alumni relations, was suspended as a result of the Covid-19 pandemic and its impact on the School's finances. This suspension continued in the year ended July 2022 but will be reviewed during the coming year realising the benefit to the school of strengthening alumni links and creating the foundations for fundraising for the Creative Hub which is a key aim of the Campus Development Plan.

During the year there were no instances where the School failed to comply with its 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.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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 up to now has been to become the first-choice school both locally and globally for those families that understand that education is about growing the whole person. The school reached its cap of 425 students prior to the COVID-19 lockdown, in January 2020. The school successfully achieved this aim. The School is returning to this norm in the post-covid world.

During May 2022, the School fulfilled its long-held ambition to join the Headmaster's and Headmistresses Conference (HMC) by being accredited by the HMC membership committee. This activity took place over a three-year period of review, culminating in an interview and two-day site visit and stakeholder survey. Following this process, the current Headmaster was admitted to full membership of HMC. This places the School arguably amongst the top 300 schools in the UK.

Academic

The DfE league tables do not accurately reflect our public examination pass statistics, because of the variety of iGCSE and other programmes that we run. (one year accelerated course etc).

Our level 9-4 pass rate 2022 for year 11 was 87% which was 14% higher than the national norms for the same cognitive abilities.

At A-level, we achieved a 94% pass rate (A*-E) and 56% A*-B which, again, represents excellent performance compared to historic data. All students have either met their firm or insurance choice university criteria.

At IB we achieved a diploma average of 32 points, meeting the world average.

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.

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.

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.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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'.

Exemplary behaviour is a focus of all the School; attitudes encouraging behaviour for learning are a strength of the school.

Pastoral

As a School we work to continually develop the pupils' self-understanding, self-confidence, self-discipline and resilience in all that we do so that when they leave School they are able to confidently move onto the next stage of their life. We believe that our pupils have high levels of such skills. Visitors to our School confirm this; those pupils involved in tours, open mornings and visitor events always receive compliments.

As a school with a range of academic ability, all pupils are encouraged to be the best versions of themselves and to achieve all that they are able. All pupils have regular assessment grades and reports with feedback also provided through tutor sessions. Target setting for academic progress is evidenced in pupil work. Pupils also attend Parents Evenings. All curricular subjects, including PSHEE, use a range of methods such as presentations, project work and the teaching of others to develop pupil 'soft' skills. PSHEE is a scheduled lesson and contains modules such as mental health and resilience. PSHEE gives pupils opportunities to reflect on their experiences and understand how they are developing personally and socially. There are also careers modules allowing pupils to explore possible options before they reach the Sixth Form.

Older pupils have additional independence with work schedules and free time. The Sixth Form have access to specialised facilities such as the Sixth form Common Room and the Independent Learning Centre to enable this. At weekends the senior boarding pupils do not have to attend weekend trips, although these are available if they wish to, and many do attend. Older boarding pupils are also able to cook if they wish. This therefore presents them with the ability to develop practical skills, time to manage and organisation of both their study and their free time. Those in the Sixth Form can apply to be members of the Syndicate (the School's prefect body) and to be peer mentors. Both have a rigorous application process and training programme mirroring what pupils will experience beyond School. A large number of pupils apply for both programmes each year. Their roles allow them to develop a variety of skills; we continually look to develop these skills further.

The skills of self-understanding, self-confidence, self-discipline and resilience are developed outside the classroom in a variety of different co-curricular settings from induction team building to sport and activities. A strength of the School is that the pupils are known as individuals and so are able to be themselves in a variety of different arenas. Hence, we have pupils who pursue for example, Dance, LAMDA, gymnastics, golf, DofE, activities in the Library, Model United Nations; all of which are equally valued by their peers.

As a founder member of the Round Square organisation, our pupils participate in a variety of associated activities. During the year we have been planning to be a host school for the Round Square conference in Sept 2022 and which Box Hill School is playing a key role in organizing.

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.

**BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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.

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 using 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

Boarding continues to thrive at Box Hill School and numbers have recovered significantly from the era of Covid. The management structure has significantly changed and is now incorporated into and overseen by the Pastoral hierarchy of leaders at school.

At its heart, boarding seeks to fulfil the first 'ideal' of Round Square, that of internationalism, and so we seek to bring together students from a wide range of countries to live and work and thrive in our happy community.

We achieve this aim well.

Over 150 students at school operate in more than one language, with many learning in their second language. For this reason Box Hill operates one of the largest EAL departments in Surrey.

Box Hill School is proud to be place of ceaseless activity with a vibrant environment and a "24/7" culture underpinning its boarding provision.

Financial Review & Results for the Year

The results for the year are set out in detail on page 22. With income of £9,860,060 the School had an operating deficit of £260,690 (2021 surplus: £6,299). The deficit this year is higher than expected and is a function of revenue returning to pre-Covid levels at a slightly slower rate than anticipated. Pupil numbers grew both year on year and then throughout the year, particularly in boarding, but there remains some capacity. In addition to this there were a small number of significant one-off costs incurred through the year as the School continues to focus on investment in its' people and property.

Due to the ongoing financial constraints faced by the School investment in the Schools facilities was restricted although maintenance work has started to return to more normal levels beyond only essential maintenance during Covid and there was some investment in facilities around the School. The Governing Board and the Executive are acutely aware of the importance of investment in the School's facilities and have, via the ongoing monitoring of the Campus Development Plan, assessed and planned for the School's requirements in the coming five years.

BOX HILL SCHOOL TRUST LIMITED
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022

During the year the impacts of domestic and global geopolitical uncertainty have begun to impact the School, especially its cost base. The Governing board have carefully considered the School's immediate future especially in the context of rising inflation and interest rates. 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 continues to achieve beyond expectations in its core activities with continued and strong demand for places, strong exam results and the achievement of HMC status. The pressures from inflation and interest rates can be accommodated through strong financial stewardship, careful budgeting, the management of fee levels and continued focus on student recruitment. The board has close oversight of all of these areas and works in collaboration with the Executive to ensure appropriate outcomes. The budget for the next financial year show a manageable position and continued positive cash balances.

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 £7,253,091 and reflect the significant cost of the School's freehold land and buildings.

RISK MANAGEMENT

The Board of Governors consider that the School is faced with significant risks due to the nature of the School's activity, these risks are broadly unchanging from year to year and are constantly under review by the Board and the Executive:

- 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.

In addition to the above the board feel that external factors have affected the risk profile of the School as follows:

- The sudden and dramatic growth in inflation has introduced risk and uncertainty to the School's cost base and the School's fee structure lags current inflation by a year. The board are conducting a detailed review of the School's cost base to ensure that, going forward, fees reflect the increasing cost of key inputs.
- The School carries debt on its balance sheet that incurs interest, the Board and Executive are conducting scenario planning based on the impact of increasing interest rates and monitoring developments closely. The School maintains a close, open and constructive relationship with its debt provider and regular communication ensures that all involved are aligned on this issue and steps taken to mitigate the risk.
- Like many organisations the School is beginning to feel the impact of the tightening labour market especially in support functions. There is a risk that business continuity could be jeopardised by failing to recruit into positions in Housekeeping and Catering especially. The School is constantly reviewing and adapting its channels to access staff and is also reviewing its resource models to ensure that practices are appropriate.

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 three 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
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

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
ANNUAL REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2022**

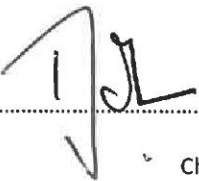
Relevant Audit Information

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 7th November 2022, 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 7th November 2022

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

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 2022 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 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Date: 20 December 2022

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 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	-	-	119,803
Charitable activities:	4			
School fees receivable		9,169,529	9,169,529	8,412,279
Ancillary trading income		690,494	690,494	342,999
Investments	7	37	37	53
Other income	8	-	-	190,000
Total income		9,860,060	9,860,060	9,065,134
Expenditure on:				
Charitable activities		9,940,838	9,940,838	8,918,160
Other expenditure	9	179,912	179,912	140,675
Total expenditure		10,120,750	10,120,750	9,058,835
Net movement in funds		(260,690)	(260,690)	6,299
Reconciliation of funds:				
Total funds brought forward		7,513,781	7,513,781	7,507,482
Total funds carried forward		7,253,091	7,253,091	7,513,781

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

The notes on pages 25 to 44 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 2022

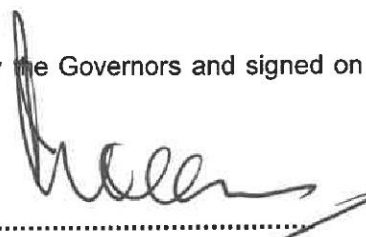
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	14,028,578	14,309,114
Investments	15	100	100
		<u>14,028,678</u>	<u>14,309,214</u>
Current assets			
Debtors	16	338,500	2,665,205
Cash at bank and in hand		1,430,387	1,796,842
		<u>1,768,887</u>	<u>4,462,047</u>
Creditors: amounts falling due within one year	17	<u>(2,072,209)</u>	<u>(4,127,981)</u>
Net current liabilities / assets		(303,322)	334,066
Total assets less current liabilities		13,725,356	14,643,280
Creditors: amounts falling due after more than one year	18	(6,412,265)	(7,129,499)
Provisions for liabilities		(60,000)	-
Net assets		7,253,091	7,513,781
Total net assets		7,253,091	7,513,781
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	7,253,091	7,513,781
Total funds		7,253,091	7,513,781

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: 7th November 2022

The notes on pages 25 to 44 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 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net cash used in operating activities	896,978	163,067
Cash flows from investing activities		
Dividends, interests and rents from investments	37	53
Proceeds from the sale of intangible assets	-	510,800
Purchase of tangible fixed assets	(253,675)	(90,150)
Net cash (used in)/provided by investing activities	(253,638)	420,703
Cash flows from financing activities		
Cash inflows from new borrowing	-	1,000,000
Repayments of borrowing	(783,519)	(601,267)
Capital element of finance leases repaid	(46,364)	(65,486)
Interest paid	(179,912)	(140,675)
Net cash (used in)/provided by financing activities	(1,009,795)	192,572
Change in cash and cash equivalents in the year	(366,455)	776,342
Cash and cash equivalents at the beginning of the year	1,796,842	1,020,500
Cash and cash equivalents at the end of the year	1,430,387	1,796,842

The notes on pages 25 to 44 form part of these financial statements

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

Notes to the financial statements
For the year ended 31 July 2022

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.

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

Notes to the financial statements
For the year ended 31 July 2022

1. Accounting policies (continued)

1.4 Income

All income is recognised once the Charitable Company 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.

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

Notes to the financial statements
For the year ended 31 July 2022

1. Accounting policies (continued)

1.5 Expenditure

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:

- 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.

- Other expenditure relates solely to loan interest payable and finance lease charges.

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.

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

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.

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

Notes to the financial statements
For the year ended 31 July 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation (continued)

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

Depreciation is provided at rates calculated 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 Buildings	and	Furniture, Fixtures and Fittings	Computers, Software and Networking	and	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.

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.

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

Notes to the financial statements
For the year ended 31 July 2022

1. Accounting policies (continued)

1.11 Liabilities

Liabilities and provisions 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.

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.

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

Notes to the financial statements
For the year ended 31 July 2022

1. Accounting policies (continued)

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.

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.

During the year the tangible fixed assets held by Box Hill represent a material balance. As such the the useful economic lives and residual values used to calculate the depreciation charged thereon represents a significant and critical accounting estimate made by management.

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.

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

Notes to the financial statements
For the year ended 31 July 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	-	-	8,183
Grants	-	-	111,620
Total 2022	-	-	119,803

All donations received in the prior year were to unrestricted funds. There were no donations or grants received in the year under review.

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Teaching and Academic Services (Note 5)	9,169,529	9,169,529	8,412,279
Ancillary trading income (Note 6)	690,494	690,494	342,999
Total 2022	9,860,023	9,860,023	8,755,278

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

5. School fees receivables

	2022 £	2021 £
Board and tuition fees	9,614,659	8,790,796
Fees in lieu of notice	118,278	192,737
Scholarships and bursaries	(563,408)	(571,254)
	9,169,529	8,412,279

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

Notes to the financial statements
For the year ended 31 July 2022

6. Ancillary trading income

	2022	2021
	£	£
Income from extra tuition	480,345	280,068
Courses and sub-lettings	161,982	22,681
Registration fees	48,167	40,250
	<u>690,494</u>	<u>342,999</u>

7. Investment income

	Unrestricted funds	Total funds	Total funds
	2022	2022	2021
	£	£	£
Bank interest receivable	<u>37</u>	<u>37</u>	<u>53</u>

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

8. Other incoming resources

	Total funds	Total funds
	2022	2021
	£	£
Gain on disposal of tangible fixed assets	<u>-</u>	<u>190,000</u>

9. Other expenditure

	Unrestricted funds	Total funds	Total funds
	2022	2022	2021
	£	£	£
Interest on bank loans and overdrafts	147,787	147,787	106,431
Finance lease charges	32,125	32,125	34,244
Total 2022	<u>179,912</u>	<u>179,912</u>	<u>140,675</u>

All other expenditure in the current and prior year was from unrestricted funds.

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

Notes to the financial statements
For the year ended 31 July 2022

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Governance costs 2022 £	Total funds 2022 £
Teaching and Academic Services	5,369,744	-	5,369,744
Welfare	1,280,703	-	1,280,703
Premises	866,059	-	866,059
Support	2,329,418	-	2,329,418
Governance	-	94,914	94,914
Total 2022	9,845,924	94,914	9,940,838

	Activities undertaken directly 2021 £	Governance costs 2021 £	Total funds 2021 £
Teaching and Academic Services	5,117,934	-	5,117,934
Welfare	1,079,095	-	1,079,095
Premises	864,709	-	864,709
Support	1,777,568	-	1,777,568
Governance	-	78,854	78,854
Total 2021	8,839,306	78,854	8,918,160

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

Notes to the financial statements
For the year ended 31 July 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching and Academic Services 2022 £	Welfare 2022 £	Premises 2022 £	Support 2022 £	Total funds 2022 £
Staff costs	4,128,012	324,089	280,037	1,479,805	6,211,943
Depreciation	259,834	214,577	-	59,802	534,213
Supply staff costs	15,682	-	-	-	15,682
Staff discounts	123,097	-	-	-	123,097
Advertising and introductory fees	318,763	-	-	55,564	374,327
Text books and equipment	217,758	-	-	-	217,758
Maintenance	-	-	31,647	-	31,647
Food and subsistence	-	612,441	-	-	612,441
Other overheads	306,598	129,596	554,375	734,247	1,724,816
Total 2022	5,369,744	1,280,703	866,059	2,329,418	9,845,924

	Teaching and Academic Services 2021 £	Welfare 2021 £	Premises 2021 £	Support 2021 £	Total funds 2021 £
Staff costs	4,137,738	347,531	274,778	1,063,037	5,823,084
Depreciation	264,394	218,035	-	66,810	549,239
Staff discounts	118,962	-	-	-	118,962
Advertising and introductory fees	116,979	-	-	66,753	183,732
Text books and equipment	155,489	-	-	-	155,489
Maintenance	-	-	30,551	-	30,551
Food and subsistence	-	395,307	-	-	395,307
Other overheads	324,372	118,222	559,380	580,968	1,582,942
Total 2021	5,117,934	1,079,095	864,709	1,777,568	8,839,306

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

Notes to the financial statements
For the year ended 31 July 2022

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Governance 2022 £	Total funds 2022 £	Total funds 2021 £
Governance costs	94,914	94,914	78,854

Aside from auditors' remuneration disclosed in note 11, Governance costs are comprised of Governors' Meeting Expenses £1,737 (2021: £894) and Legal & Professional costs £75,656 (2021: £60,656).

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	11,994	12,804
Fees payable to the Charitable Company's auditor in respect of: All non-audit services not included above	5,527	4,500

12. Staff costs

	2022 £	2021 £
Wages and salaries	4,964,398	4,571,361
Social security costs	517,164	515,502
Contribution to TPS & defined contribution pension schemes	730,381	736,221
	6,211,943	5,823,084

The average number of persons employed by the Charitable Company during the year was as follows:

	2022 No.	2021 No.
Employees	149	147

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

Notes to the financial statements
For the year ended 31 July 2022

12. Staff costs (continued)

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

	2022	2021
Teaching: Full time	57	54
Part time	15	16
Support: Full time	13	14
Part time	17	15
Welfare: Full time	9	11
Part time	10	6
Premises: Full time	9	9
Average FTE	130	125

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
In the band £110,001 - £120,000	-	2
In the band £120,001 - £130,000	1	-
In the band £150,001 - £160,000	1	-

In the current year the key management personnel of the school comprise the Headmaster, Chief Operating Officer, Deputy Head (Academic) and Deputy Head (Pastoral). The total employee benefits including employer's national insurance and pension costs of the key management personnel were £531,463.

In the prior year the key management personnel of the school comprised of the Headmaster, Chief Operating Officer, Deputy Head (Academic), 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 was £754,536.

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

Notes to the financial statements
For the year ended 31 July 2022

13. Governors' remuneration and expenses

During the year ended 31 July 2022, no Governors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 July 2022, expenses totalling £35 relating to travel were reimbursed in respect of 1 Governor (£35 to 1 Governor).

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 August 2021	15,664,045	1,968,375	438,460	136,929	18,207,809
Additions	1,794	193,023	58,858	-	253,675
At 31 July 2022	<u>15,665,839</u>	<u>2,161,398</u>	<u>497,318</u>	<u>136,929</u>	<u>18,461,484</u>
Depreciation					
At 1 August 2021	2,277,915	1,178,859	318,433	123,488	3,898,695
Charge for the year	284,665	160,544	85,642	3,360	534,211
At 31 July 2022	<u>2,562,580</u>	<u>1,339,403</u>	<u>404,075</u>	<u>126,848</u>	<u>4,432,906</u>
Net book value					
At 31 July 2022	<u>13,103,259</u>	<u>821,995</u>	<u>93,243</u>	<u>10,081</u>	<u>14,028,578</u>
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>

Freehold land and buildings included land of £1,430,774 which is not depreciated. The remaining 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:

	2022	2021
	£	£
Computers, software and network	23,900	79,423
Motor vehicles	10,084	13,441

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

Notes to the financial statements
For the year ended 31 July 2022

15. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2021	100
At 31 July 2022	100

Shares in group undertaking

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

	2022 £	2021 £
Due within one year		
Trade debtors	122,827	2,617,696
Other debtors	47,491	22,403
Prepayments and accrued income	168,182	25,106
	338,500	2,665,205

Included within trade debtors at 31 July 2021 were Autumn term 2021 fees invoiced in advance of the year end which had not been paid prior to the year end. The total Autumn term fees invoiced in advance of £2,869,630 were shown as deferred income at 31 July 2021 and this amount was fully released in 2022. Autumn term 2022 fees were invoiced and dated August 2022 and so were not included in debtors or deferred income at 31 July 2022.

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	415,603	394,257
Trade creditors	143,859	91,881
Other taxation and social security	150,439	124,158

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

Notes to the financial statements
For the year ended 31 July 2022

17. Creditors: Amounts falling due within one year (continued)

	2022	2021
	£	£
Obligations under finance lease and hire purchase contracts	28,945	61,827
Other creditors	1,109,256	499,078
Accruals and deferred income	224,107	2,956,780
	<u>2,072,209</u>	<u>4,127,981</u>

Advance fees

Advance fees are included within other creditors. 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.

	2022
	£
Advance fees at 1 August 2021	191,314
Resources deferred during the year	678,473
Amounts released from previous year	(363,843)
Advance fees at 31 July 2022	<u>505,944</u>

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

	2022	2021
	£	£
Bank loans	5,826,931	6,631,796
Net obligations under finance lease and hire purchase contracts	-	13,482
Other creditors	585,334	484,221
	<u>6,412,265</u>	<u>7,129,499</u>

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

Notes to the financial statements
For the year ended 31 July 2022

Included within the above are amounts falling due as follows:

	2022 £	2021 £
Between one and two years		
Bank loans	<u>415,603</u>	<u>415,603</u>
Between two and five years		
Bank loans	<u>5,411,328</u>	<u>6,216,193</u>
Over five years		

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 loan repayments are calculated on the basis of a 20 year repayment profile, with the balance being repayable in full at the end of the 5 year term.

The school also had a Coronavirus Business Interruption Loan at the start of the year. This was repaid in full during the year.

19. Provisions

	Harpur vs Brazel Provision £
Provided in the year	<u>60,000</u>
	<u>60,000</u>

The basis of calculation of holiday pay for part year workers in accordance with the Working Time Regulations 1988 and Employment Rights Act 1996 has been clarified following the 20 July 2022 judgement of the legal case Harpur vs Brazel. This has resulted in the school being required to recognise an expense in relation to an element of underpayment of historic holiday pay for certain term time only staff. It is intended that the payments required to rectify the historic differences will be settled in January 2023. As such an amount of £60,000 has been provided for in the 2022 financial statements with regards to this.

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

Notes to the financial statements
For the year ended 31 July 2022

20. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021	Income	Expenditure	Balance at 31 July 2022
	£	£	£	£
Unrestricted funds				
Designated funds				
Bursary reserve	<u>65,465</u>	<u>-</u>	<u>-</u>	<u>65,465</u>
General funds				
General funds	<u>7,448,316</u>	<u>9,860,060</u>	<u>(10,120,750)</u>	<u>7,187,626</u>
Total Unrestricted funds	<u><u>7,513,781</u></u>	<u><u>9,860,060</u></u>	<u><u>(10,120,750)</u></u>	<u><u>7,253,091</u></u>

It is the intention of the Governors that the Bursary Reserve is used only for bursaries and scholarships to be awarded by the school. 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.

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

Notes to the financial statements
For the year ended 31 July 2022

20. Statement of funds (continued)

Statement of funds - prior year

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

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(260,690)</u>	<u>6,299</u>
Adjustments for:		
Depreciation charges	534,211	549,239
Dividends, interests and rents from investments	(37)	(53)
Loss/(profit) on the sale of fixed assets	-	(190,000)
Decrease/(increase) in debtors	2,315,850	(61,393)
(Decrease)/increase in creditors	(1,932,268)	(281,700)
Interest payable	179,912	140,675
(Decrease)/increase in provisions	60,000	-
Net cash provided by operating activities	<u><u>896,978</u></u>	<u><u>163,067</u></u>

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

Notes to the financial statements
For the year ended 31 July 2022

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	1,430,387	1,796,842
Total cash and cash equivalents	1,430,387	1,796,842

23. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	Other non- cash changes £	At 31 July 2022 £
Cash at bank and in hand	1,796,842	(366,455)	-	1,430,387
Debt due within 1 year	(394,257)	783,519	(804,865)	(415,603)
Debt due after 1 year	(6,631,796)	-	804,865	(5,826,931)
Finance leases	(75,309)	46,364	-	(28,945)
	(5,304,520)	463,428	-	(4,841,092)

24. Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for the majority of its teaching staff. The pension charge for the year includes contributions payable to the TPS of £647,331 (2021: £659,884) and at the year-end £73,249 (2021: £75,795) 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.

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

Notes to the financial statements
For the year ended 31 July 2022

24. Pension commitments (continued)

For teachers not enrolled in the TPS, 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 £2,980 (2021: Nil). Contributions totaling £631 (2021: Nil) were payable to the fund at the balance sheet date and are included in creditors.

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 £80,070 (2021: £76,337). Contributions totaling £17,272 (2021: £16,717) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 July 2022 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	117,603	74,737
Later than 1 year and not later than 5 years	107,455	51,700
	225,058	126,437

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022	2021
	£	£
Operating lease rentals	165,260	63,011

26. Related party transactions

No related party transactions were undertaken during the year.