



Halliford
School
SHEPPERTON

Halliford School Limited

Governors' Report and Financial Statements

For the year ended 31 August 2022

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Legal and administrative details

Full name and registered address of the charity

Halliford School Limited
Russell Road
Shepperton
Middlesex
TW17 9HX

Charity status

Founded in 1921

Halliford School was privately owned until December 1956 when it was incorporated as a company limited by guarantee, where the liability of the members is limited to £1, and not having share capital.

Re-named as Shepperton Grammar School Ltd the School retained this name until December 1971 when it reverted to Halliford School Ltd.

The governing document of Halliford School Ltd are the Articles of Association which were adopted by Special Resolution dated 25th January 2022 and approved by the Charity Commission 28th April 2022.

Charity registration number - 312090

Company registration number - 00575324.

Governors and Directors of the Company

The following were both Governors of the School and Directors of the Company during the period of this report:

Mr K.H. Woodward	Chairman and elected in the day-to-day management of the school.
Mr C.S. Squire	Deputy Chairman
Mrs N.F. Cook	Resigned 31 st August 2022
Mr M.A. Crosby	
Mr R.C. Davison	
Mrs K. Gulliver	Resigned 30 th November 2021
Mr B.T. Harris	
Mr A. Hirst	
Mrs P. A. Horner	
Mr A. Lenoel	
Mr P. Roberts	Resigned 31 st August 2022
Dr M. Sachania	

Headmaster and Senior Staff

Mr J Davies	Headmaster
Mrs E Sanders	Bursar, Clerk to Governors and Company Secretary
Mr J Bown	Senior Deputy Head
Mr R Fulford	Deputy Head Academic
Mr S Slocock	Assistant Head Co-Curricular
Mr A Carroll	Head of Sixth Form

Professional advisers

Bankers

National Westminster Commercial Bank
280 Bishopsgate
London
EC2M 4RB

Auditors

Haines Watts Kingston LLP
Chartered Accountants
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Legal

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Governors' Report

The members of Halliford School Governing Body present for the year ended 31st August 2022 their Annual Report under the Charities Act 2011, incorporating their Governors' and Strategic Report under the Companies Act 2006, together with audited financial statements of Halliford School.

The financial statements comply with the Charities Act 2014, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Vision, Mission Statement, Aims and Key Activities

Vision of Halliford School

To be acknowledged as the small independent school of choice for 11-18-year olds, where we are proud to belong to a thriving, happy and aspirational community that is committed to each student as an individual.

Mission Statement

Halliford School is based on strong family values where we know and respect every student as an individual. We encourage and support Hallifordians to flourish and become the best version of themselves that they can possibly be.

We aim for excellence by being academically ambitious but at the same time academically sensitive.

We inspire Hallifordians within a community that is founded on high quality teaching and learning, outstanding pastoral care and first-class sporting, cultural and co-curricular opportunities.

Halliford School is a boys' school for eleven to eighteen-year olds with a co-educational Sixth Form.

Aims

- To provide a stimulating learning environment for boys 11-18 and girls 16-18 where we promote academic excellence and provide opportunities to realise the full potential of every individual to become the best version of themselves
- To provide a warm-hearted family ethos in which every student is known and valued as an individual
- To enable each individual to discover and develop his/her talents, character, creativity, resilience and ability to work within a team by providing a balanced and wide-ranging co-curricular programme
- To create an environment in which all members of the school community feel supported and valued and able to contribute positively to the lives of others by providing a framework of outstanding pastoral care
- To equip our students for the world they will encounter beyond Halliford School

Values

Our students and staff identified the following values as being at the heart of what it means to be a Hallifordian:

- Intellectually curious
- Respectful
- Warm-hearted
- Team players
- Creative
- Resilient

As an educational charity, the parents of our pupils have the assurance that all the income of the School is used for educational purposes as described by the following objectives of the charity:

- To establish and maintain an independent day school for the education of both boys and girls.
- To establish or acquire as a going concern and carry on or manage elsewhere, any subsidiary, affiliated or other schools for the education of boys and girls in connection with the above mentioned School, and to supply to such pupil's instruction, together with physical, moral and religious training, and to provide accommodation for Staff and pupils being boarded, and meals for those taking meals at school, but so that each such school shall be carried on as an educational charity.
- As a charity the School benefits from some tax exemptions on its educational activities and investments and is entitled to an 80% reduction on business rates on all property used for charitable purposes. These financial benefits indirectly help us to sustain our bursary policy and provide a means by which we can educate some children whose families would otherwise not be able to afford the fees and therefore access the education offered.

Key activities

The Governors understand the requirement to deliver a rich and broad educational experience to all pupils. Through their strategic direction, governance and risk management they seek to ensure the School has both the resources and operating framework to enable it to provide a friendly, family orientated and supportive environment in which all pupils are known as individuals by most, if not all, staff. They are equally valued and supported regardless of race, religion, gender and disability.

The School works to ensure all pupils are given the same opportunity to learn and develop and, in so doing, provide a wide array of support to pupils whether they face individual challenges to their ability to learn or are potentially high achievers.

We offer a number of Academic, Music, Art and Sports Scholarships for entry to Year 7 and the Sixth Form. Scholarships are awarded on the basis of the individuals exceptional (academic, musical, artistic and sporting) ability and potential. Candidates are encouraged to apply for a means tested bursary to supplement their scholarship if financial constraints are a consideration. We advertise these on our School website.

Bursary awards, which are available to all who meet the Schools' general entry requirements, are made solely on the basis of parental means or to relieve hardship (for example in the case of redundancy) or where a student's education and future prospects would otherwise be at risk. Bursary awards can be given up to 100% fees discount. Our School does not have a large endowment fund and in funding our awards we have to be mindful that we must ensure a balance between fee paying parents, many of whom make considerable personal sacrifices to fund their children's education, and those benefiting from the award.

Our School welcomes pupils from all backgrounds; however, we need to be satisfied that we will be able to educate and develop a prospective pupil to the best of their potential and in line with the general standards achieved by their peers. To that end entrance interviews and assessments are undertaken to satisfy both ourselves and parents that potential pupils could cope with the pace of learning and benefit from the education provided. An individual's economic status, ethnicity, religion or disability do not

form part of our assessment process and to help with the continuity of education in families a discount is offered for parents who have more than two children in the School.

This year the total value of awards for scholarships, bursaries and staff remission was £527,709 (2021: £623,938). During the year, the school awarded short-term financial assistance of £54,254 (2021: £144,215) to families suffering a long-term impact of COVID-19.

We are an equal opportunity organisation committed to a working environment that is free from discrimination and will make reasonable adjustments to meet the needs of staff or pupils who are, or become, disabled.

In summary, the role of our School is to provide pupils with a range of educational opportunities within which they can fully realise their individual potential. Our aims are for the public benefit, and we have considered the Charity Commission's Guidance.

Governance and Management

Board of Governors

The number of Governors elected to the Board must be not less than 8 and not more than 20. Governors are encouraged to attend seminars organised by the Association of Governing Bodies of Independent Schools and other accredited organisations as appropriate. Upon election to the Board of Governors new Governors visit the School, are briefed by both the Headmaster and the Bursar, and are provided with a new Governors' Information Pack containing information about the School, Governing Body information, School policies and training available.

The Governors are the company directors and trustees of the Charity and have control of the Charity and its property and funds. On appointment as a Governor, a Governor shall automatically become a Member of the Charity. The normal term of office for a Governor shall be four years, provided that the Governors may determine that the Governor shall in fact retire at the end of a meeting of the Board of Governors held within six months of the end of the Governor's term of office.

Governance

The Board of Governors continue to keep the School's activities under review and in particular, risk identification and, where appropriate, mitigation (including Insurance cover) and the effectiveness of internal controls. The Board of Governors meet once per term to review the reports of the sub-committees and determine both the strategic direction and policies of the School. In addition, the Executive Committee has powers to meet and reach decisions on issues requiring urgent attention.

Sub-committees for the financial year ended on 31 August 2022 were:

- Staffing and Academic
- Finance
- Health and Safety
- Marketing
- Safeguarding and Welfare

The Governors and the Senior Management Team comprise the key management personnel of the charity in charge of running and operating the School on a day-to-day basis. All Governors give their time freely and no director received remuneration in the year.

The pay of all staff is reviewed annually and the Governors benchmark against pay levels in other independent schools of a similar size. The pay review project commissioned by Governors in September 2020 continued to progress throughout the year and implementation is expected in January 2024.

Related Organisations

Halliford School has a wonderful and supportive group of parents who arrange various fundraising events for the School. They are run as a separate organisation and any funds raised by the PTA are donated to the School.

Statement of Governors' Responsibilities

For the year ended 31 August 2022

The Governors (who are also directors of Halliford School Limited for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

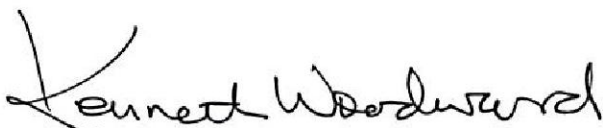
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as, the Governors are aware:

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

Governors Report approved and signed on its behalf by



K H Woodward

Chairman

Date 15.11.22.

Strategic Report

Achievements and performance

In the year ending 31st August 2022 pupils on roll in School was 450. The termly core fees, before any deduction of any means tested bursaries and scholarships for the year ending 31 August 2022 was £5,995.

Academic

Students and staff worked incredibly hard this year to prepare for the return of formal Public Examinations. We were delighted that despite all the challenges of the last two years during the preparation for these examinations, our students performed extremely well across the board to gain the results they so richly deserved.

GCSE Examination Results

At GCSE our Year 11 students performed well securing an impressive 97% of all grades at a level 4 or higher. A large number of our top academic performers then returned to join our Sixth Form to continue with their A level studies.

GCSE	2018	2019	2020	2021	2022
Candidates	61	73	73	75	70
% Pass Grades 9-4 (A*-C)	95	95	99	97	97

A Level Examination Results

We were delighted to see our students achieve the highest level of results taken during formal examinations in these latest results with 60% of all grades at an A* - B. This is a superb achievement given the broad range of academic abilities we welcome at Halliford School. These grades also enabled all of our student to go on to the University or Apprenticeship routes of their choice with our two academic scholars securing their places at Oxford and Cambridge University.

A Level	2018	2019	2020	2021	2022
Candidates	40	35	33	37	49
% Pass (Grades A*-B)	58	46	66	85	60
% Pass (Grades A*-E)	99	99	100	100	100

Culture

In the Autumn Term, Intermediate and Senior teams took part in the Shepperton Aurora Rotary Club Youth Speaks Public Speaking Competition, the Intermediate team won the Best Team award, and the Senior Team won Best Chair award. In the Spring Term, two Lower Sixth students represented Halliford at the Oxford Schools' Debating competition and budding writers in Years 7 and 8 met with resounding success at the Elmbridge Literary Competition.

Many new events were held throughout the year to celebrate Halliford School Centenary 1922-2022.

Autumn Term Centenary events:

- Students were presented with Centenary tie and a commemorative paperweight
- Centenary lecture
- Official opening of the Woodward Building
- Centenary rugby match at London Irish and the Rugby Extravaganza at Weybridge Vandals
- Centenary concert and the Annual Festival of Readings and Carols which was recorded and circulated locally due to the rising cases of Covid-19 in the Spelthorne area.

Spring Term Centenary events:

- PTA Race Night
- Halliford 100 Weekend – jam packed with exciting events:
 - Rugby Sevens on Friday night
 - Hall of Fame Evening for Old Hallifordians

Summer Term Centenary Events

- PTA Outdoor Cinema Night
- Richard Talbot Memorial MCC Cricket match
- Halliford 100 Golf Tournament at Pine Ridge Golf Club
- PTA Centenary Summer Ball
- Old Hallifordians Weekend and Art Exhibition
- Centenary Summer Concert
- Centenary Sports Day
- Centenary Speech Day

In Drama, students achieved excellent results in their LAMDA examinations which took place in the Spring and Summer Term. In the Spring Term, 26 students took part and achieved 11 distinctions. In the Summer Term, 35 students took part and secured 22 distinctions. The department organised a LAMDA Celebration Evening providing students with an opportunity to showcase their performance to an audience.

The Drama and Music Department presented the legendary tale of Kings Arthur's quest for the Holy Grail in the school production of Monty Python's Spamalot!

Year 8 students also took part in the school production of Chaucer's Canterbury Tales during Activities Week in the Summer Term.

The Music department were once again very busy with the return of their lunchtime music concerts, as well as staging their various Centenary concerts throughout the year. Nine students took exams in Violin, Trumpet, Piano and Singing and achieved 3 distinctions, 4 merits and 2 passes.

The Duke of Edinburgh Award at Halliford School remains incredibly popular with around 100 students taking part in Bronze, Silver and Gold Awards from Year 10 upwards.

Events and School Trips

Events and Trips are an integral part of the education offered by the school, and a selection of trips covering academic, cultural, and sporting activities included the following:

- A Special Effects workshop by the Prop Production company, Bentley Advanced Materials, who visited the school to host a masterclass for GCSE and A-Level Art students
- Sixth Form Art students welcomed local artist Stella Mariash to Halliford to run a dynamic workshop in drawing and painting
- Year 11 Geography field trip to Juniper Hall
- Year 10 and 11 trip to the Goethe Institute
- Sixth Form visit to Hampton Court Palace and also took part in a team building afternoon.
- A-Level Biology field trip to Bushy Park
- A-Level Spanish theatre trip to La Casa de Bernarda Alba
- The Annual ski trip to Austria returned after Covid-19 restrictions were lifted with more than a third of students attending
- River Thames Boating Experience – students were given the opportunity to learn how to operate a motorboat on the river as well as learning basic river skills
- Celebration Days for our Year 11 and Upper Sixth Leavers.
- Cadogan Hall trip for an all-Beethoven concert given by the Royal Philharmonic Orchestra
- During the annual Activities week each year group were involved in the following activities:
 - Year 7 enjoyed a trip to France
 - Year 8 Activity Day indoor ski centre.
 - Year 9 trip to Ypres
 - Year 10 Activity Days to Thorpe Park and Paintballing
 - Lower Sixth Activity Days: Film in a Day workshop and The London Challenge – a race across London against the clock to visit as many high-profile famous London Landmarks as possible
- Centenary Cricket Tour to Jersey
- Duke of Edinburgh expeditions took place in the Surrey Hills, New Forest, Brecon Beacons and Dartmoor

There are always many opportunities for students to represent their houses though interhouse competitions, some examples include: pumpkin carving, song contest, and debating. This year there were also many lunchtime Centenary challenges for all students.

Sport and Co-Curricular clubs

Halliford School is proud to be able to offer our students a wide variety of learning experiences outside the classroom to support and enhance the learning that goes on inside the classroom. We believe these are an invaluable part of our students' education and strongly encourage students to participate.

It was wonderful to resume competitive Rugby fixtures in the Autumn Term, and coaches were very impressed with the numbers of students at training sessions. Halliford consistently fielded A and B sides throughout the season, and occasionally C and D teams as well. In the Autumn Term Halliford played 114 rugby matches.

The football season in the Spring Term saw Halliford play 107 matches. Students took part in the inter-house cross country competition and our keen rugby players took part in the Rugby Sevens competition,

where the U12s and U13s won their Cup competitions and U13s won the Plate competition. Halliford also won the Halliford Floodlit Sevens Cup hosted at London Irish for the first time since 2014.

In the Summer Term, students played 66 cricket matches, including the renamed Richard Talbot Memorial MCC Match after a former Deputy Headmaster. Students also took part in Interhouse cricket matches and the Centenary Sports day held at Walton's Xcel Centre.

Halliford students found individual successes in Golf, Cricket, Hockey, Sailing, Football, Swimming, Rowing, Archery, Kayaking, Triathlons, athletics and cross-country events. Before school and lunchtime strength and conditioning classes continue to be popular, as well as after school golf club and the rock-climbing club.

Currently we offer a wide selection of lunchtime clubs and after school clubs which are all well attended from every year group. These range from the sport sessions such as rugby, football and golf to clubs such as Automotive Club and Touch typing.

Public Benefit

Halliford School takes its responsibilities as a Charitable Trust very seriously. The Governors are fully committed to making education open to all children regardless of family means. Governors continue to place a great emphasis on means tested bursaries but applications this year for bursaries were lower than in previous years. This year the school awarded £317,135 in the form of bursaries and financial assistance to 38 students (2021: £432,638 to 55).

Halliford School has always taken and will continue to take its responsibilities as a charitable trust very seriously. The school will continue to contribute by maintaining current links and creating new links within the community.

Over the past year, Halliford School has:

- Held a Harvest Festival in October and filled 23 boxes of food which was donated to Manna Food Bank in Staines
- Filled 252 shoeboxes full of gifts for children and families in Eastern Europe who are in need, thanks to the warm-hearted Halliford community who donated to the Rotary Shoebox Scheme run by the Rotary Club of Twickenham
- Laid a wreath at the Remembrance Sunday Service at the Shepperton War Memorial, and held a Remembrance Service at Halliford School where the whole community were invited
- Students from Halliford attended Staines Preparatory School to present Halliford's traditional Science Week Assembly.
- Celebrated International Women's Day and Safer Internet Day.
- Supported a group of local volunteers who operate the weekend ferry service which operates between Lower Sunbury and Walton on Thames
- Led by Mrs Batt, one of our School Matrons, Halliford was proud to donate an array of items to a group formed to support Afghan refugees in Spelthorne. The group supports families by providing clothing, personal hygiene products, baby items, school uniform & equipment and helps them further their English speaking
- Provided the John Crooke theatre to a local drama group as well as a venue for the History Society.

Contributions to Education in the Community

- Two members of staff are members of the Governing Body at local independent schools.

Charity Fundraising

Charity is at the heart of our ethos here at Halliford School and every year we endeavour to raise funds for various local and national causes.

Fundraising organised by the Charity Prefects included the following:

- Movember charity, a charity that aims to raise awareness of men's health issues, including mental health and suicide prevention, prostate cancer, and testicular cancer. In total, students raised £3,700 through events onsite as well as from online donations
- Save the Children Christmas Jumper Day raised £900.
- Charities week raised £3,480 for the DEC Ukraine Humanitarian Appeal and £3,480 for Red Nose Day
- Mufti day to raise funds for Dress to Impress and Children's Cancer & Leukaemia group.

Financial Overview

Financial Results

The financial statements show net income from unrestricted funds for the year amounted to £579,080 (2021: £911,210)

Unrestricted net cash inflow from operating activities for the year was £1,591,439 (2021: £1,211,431).

During August 2022, Cluttons LLP prepared an independent valuation of the charity's land and buildings. The valuation for land and buildings totalled £13,400,000. The last valuation was also prepared by Cluttons LLP and was carried out in August 2017. The impact on the financial statements for the year ended 31 August 2022 after accounting for the revaluation was a reduction in total funds by £1,493,803. This is made up of an £1,013,897 uplift in unrestricted reserves being an unwinding of depreciation charged to the unrestricted reserve, and a decrease in the unrestricted revaluation reserve of £2,507,700. The opening revaluation reserve at 1 September 2021 was £4,753,198 and the closing revaluation reserve as at 31 August 2022 is £2,245,497.

Borrowing from Natwest bank increased from £3,966,545 as at 31 August 2021 to £4,583,000 as at 31 August 2022, being the additional amount borrowed to fund the Woodward Building which was completed during the year ended 31 August 2022.

The School's total reserves at the year-end including designated funds (excluding the revaluation reserve) were £10,092,481 (2021: £8,499,503).

Summary of the year

Income from charitable activities of £9,017,846 (2021: £8,138,319) has increased due to additional fee income as well as additional tuck, lunch and bus receipts generated from high student numbers. The rollout of new IT to all students in school has generated additional income receipts of £189,940 (2021: £40,300). This has been offset with a reduction in financial hardship offered to support families impacted severely by Covid-19.

School services costs of £4,810,831 (2021: £4,155,222) have increased due to additional staffing costs, new and additional IT hardware/software costs, higher transport costs and additional departmental costs such as counselling services and use of external sports coaches.

Support costs totalling £3,118,040 (2021: £2,470,538) have increased due to higher staff costs, increased food costs, new energy contracts effective from November 2021 and April 2022 are significantly higher than previous. Property, ground maintenance and building service costs have also risen due to expensive labour costs and increased lead times / delivery costs.

Reserves Policy

In balancing the needs of current and future beneficiaries Governors consider how the School's reserves can best be utilised to meet the likely challenges and opportunities in the medium to long term and have agreed that the primary objectives for the reserves are:

- In the event of a crisis, be able to sustain education provision for those pupils within an examination phase until their examinations have been completed.
- To improve the School environment.

School reserves are made up of Unrestricted Funds, Designated Funds, Restricted Funds and an Endowment Fund.

Unrestricted Funds

Unrestricted funds must be at least enough to support 3 months of operating costs which would act as a buffer to ensure the School can fund continuity of education in a crisis. The unrestricted reserves considered to be sufficient for the immediate needs are approximately £1,657,000. This is kept under constant review.

Designated Funds

The Governors designate any reserves in excess of the £1,657,000 in order for the school to continue to invest in the improvement of educational, sport and co-curricular facilities offered. These designated funds represent unrestricted funds which are retained to finance the freehold property and fixed assets as well as earmarked for future capital projects such as refurbishment and IT infrastructure.

The internal refurbishment of the main house and the final payments on the Woodward Building have been funded from agreed designated funds and total £1,416,409.

The Governors also agreed to designate funds to roofing and mechanical repairs on the PC Centre as well as give consideration for PV panels on the Sports Hall roof. Due to the ongoing energy price crisis the School has agreed to conduct a whole school sustainability review using the skills of an external consultant prior to undertaking this work.

Funds were also designated to provide additional dining capacity and theatre refurbishment of £2.5m this is kept under review as Phase 2 of the School Master planning Project.

Restricted Funds

These funds are held separately by the School and have been provided for specific items such as prizes, awards, bursaries and scholarships. Total restricted funds are £84,969 (2021: £94,207).

Endowment Funds

The endowment fund is held to fund education at the discretion of the Governors. £3,416 was received from parental donations from exam fee rebates. Total endowment funds are £100,930 (2021: £99,141).

The total funds held are £12,523,877 (2021: £13,446,050).

Future Developments

The Governing Body along with the Senior Management Team strive to maintain pupil numbers and financial reserves and ensure there is sufficient investment and development in the school in order for it to continue in the foreseeable future. The aim is to reinvest wherever possible financial surpluses raised in order to improve the education of all students by providing the best teaching and sporting facilities and significant resources across the whole school site. The school went through a period of considerable financial investment when the PC Centre was built and then a period of consolidation. Over the past few years, the school has once again started to invest significantly in the internals of the buildings such as the refurbishment of the Main House, improve the IT infrastructure and open the Woodward Building. The school must continue to reinvest as much financial surplus as possible by maintaining pupil numbers in a very competitive market as well as satisfying the bank covenants.

Following completion of Phase 1 of the master planning project the Woodward Building in November 2021, the School is considering commencing Phase 2 which involves the replacement of the dining marquee to extend the much-needed catering and dining facilities.

With the ongoing rising energy costs and ageing heating systems the School plan to appoint an external consultant to deliver a Sustainability Plan for the School.

Principal risks and uncertainties

The Governors keep under regular review the principal operational areas of the school and consider the major risks faced by the School in these areas. The Senior Management Team reviews and updates the risk to ensure action is taken to mitigate any negative impact of risk.

The major risks and uncertainties to the School are common to all independent schools.

Risks for an independent school	Mitigation
Operational cost inflation pressure on food and energy costs.	Review food suppliers' contracts to ensure best prices obtained. Sustainability Review to be undertaken
Current tight labour market with unemployment at its lowest rate and unfilled vacancies are at the highest rate presenting recruitment challenges in all areas of the school. Inability to attract and retain personnel, which could result in the loss of expertise and reliance on expensive agency staff. Skills shortage and recruitment risk for key roles, in particular management roles. Inability to attract support staff in all areas particularly domestic roles. TPS contribution risk of rising following the revaluation in 2024. Decline in staff physical and mental well-being.	Competitive salary and benefits package including school fee remission. Continue to benchmark competitors. Participation in external pay reviews conducted by third parties i.e., Baines Cutler. TPS options reviewed and closely monitored Support pension provided by Royal London realigned which would provide staff with higher wages and lower pension contributions which will aid recruitment in support roles. Providing counselling and wellbeing services to staff. Creation of a Staff Wellbeing Committee.
Inability / volatility of recruiting students to the Lower School. Arising principally from recession / economic changes; parental employment, affordability and the strong competition from local Independent and State Schools. Potential lag on pupil numbers due to parental perceptions on affordability of an independent education. Parental confidence reduced in investment into independent education.	Focus on the USP of the School, resource and market effectively. Continue to refurbish teaching spaces and increase the provision of IT equipment. Conduct Parental Opinion Survey. Increase offering to students in music, art, drama and sport. Increase co-curricular offering with additional external providers before and after school.

<p>Pupil Admissions in Sixth Form including girls joining at 16 years.</p>	<p>Improve the retention of internal candidates by offering earlier / more scholarships.</p> <p>Increase lecture programme and careers events.</p> <p>Improve and expand current Opening Evening offering and creation of new Sixth Form events for new applicants.</p>
<p>Managing the cash flow in light of income received termly and outgoings occurring year-round. Greatest spend occurring during the summer holiday period.</p> <p>Inability for parents to pay fees on time.</p>	<p>Continuous monitoring of the cash flow and meticulous planning around payment schedules in the summer.</p> <p>Robust fee debt management policies and procedures in place. Encouraging parents to use School Fee Plan (SFP)</p>
<p>Global inflation and interest rates increase.</p> <p>Variability of information obtained on future rate rises makes forecasting difficult</p>	<p>Monitor DSC of the loan on the PC Centre (Variable rate)</p>
<p>External political changes leading to increased costs and uncertainty (for example potential introduction of VAT on school fees, removal of Business rates, Brexit and contribution changes for the Teachers' Pension Scheme.)</p> <p>Possible outcome from a General Election in 2024.</p> <p>Impact of Brexit on food and fuel shortages or inflation of pricing.</p> <p>Increased building costs due to labour and material increases as well as longer lead times.</p>	<p>Affordability of school fees by parents leading to detrimental impact on cash flow.</p> <p>Ability to maintain a level of surplus funds to cover the possible cash flow shortage, increased depreciation costs and bank loan repayments.</p> <p>Projects need to be planned and agreed in advance to meet suppliers long lead times.</p>
<p>Increasing cyber risk in school and the possibility leading to loss of data, potential data breach and fraud.</p>	<p>Outsourced IT provision providing robust knowledge and skills, software experience and data storage/ recover facility.</p> <p>Additional training for staff in information security and data protection.</p>

Development of Halliford School Site & IT.

Capital investment this year included refurbishment of the School Reception and Administration areas within the Main House and upgraded flooring in Sports and Science classrooms was also completed.

Significant IT investment in software has been made in Safeguarding, Science, the Learning Resource Centre and within the English curriculum which can be used by all students and staff on their own device. Investment in IT training continues to be a focus.

The School will be conducting a Sustainability Review to find a way to follow a carbon neutral agenda and potentially rethink capital spending to reflect new risks emerging in the independent school sector.

Strategic Report approved and signed on its behalf by

A handwritten signature in black ink that reads "Kenneth Woodward". The signature is written in a cursive style with a large initial 'K'.

KH Woodward

Chairman

Date 15.11.22.

Independent Auditor's Report to the members of Halliford School Limited

For the year ended 31 August 2022

Opinion

We have audited the financial statements of Halliford School Ltd (the 'charitable company') for the year ended 31st August 2022 which comprise Statement of financial activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charities income, suppliers and wider economy. The trustees view on the impact of COVID-19 is disclosed within the accounts.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees annual report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect

of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance. During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accourting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Wills FCA MA
Senior Statutory Auditor
Aissela
46 High Street
Esher
Surrey
KT10 9QY

For and on behalf of Haines Watts Chartered Accountants, Statutory Auditor

Date: 15/12/22

Haines Watts Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Halliford School Limited
Statement of Financial Activities
(Including income and expenditure account)
For the year ended 31 August 2022

		2021/22				2020/21	
		Unrestricted Funds	Unrestricted Revaluation Reserve	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£	£	£	£	£	£
Notes							
<u>Income and Endowments from</u>							
Donations & Legacies	3a	2,678		0	3,416	6,094	4,408
Investment Income	3b	3,427		44	46	3,517	444
Incoming from charitable activities	3c	9,017,846		0	756	9,018,602	8,138,319
Total Incoming Resources		9,023,950	0	44	4,217	9,028,212	8,143,171
<u>Expenditure on Charitable Activities</u>							
School Services	3d	4,810,616		215	0	4,810,831	4,155,222
Support Costs	3e	3,106,545		9,067	2,428	3,118,040	2,470,538
Bursaries and Scholarships	3c	527,709		0	0	527,709	623,938
Total Resources Expended		8,444,870	0	9,282	2,428	8,456,580	7,249,698
Net Income(expenditure) and net movement in funds for the year		579,080	0	(9,238)	1,789	571,631	893,474
Transfer between funds		(413,320)	413,320				
Gains/(losses) on revaluation of fixed assets		1,427,217	(2,921,021)			(1,493,803)	0
Net Movement in Funds		1,592,978	(2,507,701)	(9,238)	1,789	(922,172)	893,474
Total Funds brought forward		8,499,503	4,753,198	94,207	99,141	13,446,049	12,552,576
Fund Balances at 31 August 22		10,092,481	2,245,497	84,969	100,930	12,523,877	13,446,050

Halliford School Limited

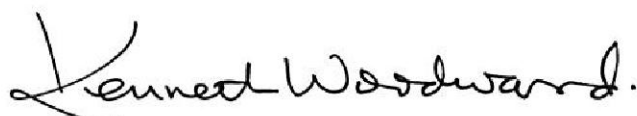
Balance Sheet

As at 31 August 2022

Company Number 00575324

	Notes	2021/22			2020/21	
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £	
Fixed Assets						
Tangible Assets	5a-b	14,104,065	3,981	0	14,108,045	14,639,794
		<u>14,104,065</u>	<u>3,981</u>	<u>0</u>	<u>14,108,045</u>	<u>14,639,794</u>
Current Assets						
Stocks	5c	88,213			88,213	214,103
Debtors	5d	194,857			194,857	107,852
Cash at bank and in hand		3,663,043	80,988	100,930	3,844,961	3,357,422
		<u>3,946,113</u>	<u>80,988</u>	<u>100,930</u>	<u>4,128,031</u>	<u>3,679,377</u>
Liabilities						
Creditors: amounts falling due within one year	5e	(1,516,999)	0	0	(1,516,999)	(1,137,709)
Net Current assets		<u>2,429,114</u>	<u>80,988</u>	<u>100,930</u>	<u>2,611,032</u>	<u>2,541,668</u>
Total assets less current liabilities		<u>16,533,179</u>	<u>84,969</u>	<u>100,930</u>	<u>16,719,077</u>	<u>17,181,462</u>
Creditors: amounts falling due after more than one year	5g	(4,195,200)	0	0	(4,195,200)	(3,735,412)
Total Net Assets		<u>12,337,978</u>	<u>84,969</u>	<u>100,930</u>	<u>12,523,877</u>	<u>13,446,050</u>
Profit and Loss Fund		10,092,481	84,969	100,930	10,278,380	8,692,852
Revaluation Reserve		2,245,497	0	0	2,245,497	4,753,198
Funds	5i	<u>12,337,978</u>	<u>84,969</u>	<u>100,930</u>	<u>12,523,877</u>	<u>13,446,050</u>

The Financial Statements were approved by the Board of Governors on 15th November 2022 and signed on its behalf by:



K H Woodward
Chairman

Halliford School Limited

Statement of Cash flows

For the year ended 31 August 2022

	2021/2022				2020/2021
	Unrestricted Funds	Restricted Funds	Endowment Fund	All Funds	
Cash flows from operating activities:					
Net cash provided by (used in) operating activities 6a	1,591,439	(215)	1,743	1,592,967	1,202,743
Cash flows from investing activities:					
Proceeds from the sale of property, plant and equipment	0	0	0	0	0
Purchase of property, plant and equipment	(1,592,279)	0	0	(1,592,279)	(1,935,035)
Interest received	3,427	44	46	3,517	444
Net cash provided by (used in) investing activities	(1,588,853)	44	46	(1,588,763)	(1,934,591)
Cash flows from financing activities:					
Repayments of borrowing (Bank loan and finance lease)	(302,337)			(302,337)	(299,734)
Cash inflows from new borrowing	918,792			918,792	1,424,079
Interest paid	(133,119)	0	0	(133,119)	(77,566)
Net cash provided by (used in) financing activities	483,336	0	0	483,336	1,046,779
Change in cash and cash equivalents in the reporting period	485,922	(171)	1,789	487,540	314,931
Cash and cash equivalents at the beginning of the reporting period	3,177,121	81,160	99,141	3,357,422	3,042,491
Cash and cash equivalents at the end of the reporting period 6b	3,663,043	80,988	100,930	3,844,961	3,357,422

Halliford School Limited

Notes to the Financial Statements

For the year ended 31 August 2022

1. Accounting Policies

a. Basis of Preparation

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

Halliford School 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 notes.

The accounts have been prepared on a going concern basis as there are no material uncertainties surrounding the charitable company's ability to continue as a going concern.

b. Income

Income from charitable activities relates to gross fees charged for the school year ending 31 August 2022.

Government Grants

Grant income is recognised under the performance model of Financial Reporting Standard 102. Government grants are recognised in income when the grant proceeds are received or receivable.

c. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities relates to tuition costs, support costs including depreciation, school running costs and governance costs, and bursaries and scholarships awarded to students.

d. Tangible Fixed Assets

Tangible assets excluding land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and the costs directly attributable to bringing the asset to its working condition for its intended use. The capitalisation threshold, with the exception of computers, which are treated as a group asset, is £1,000.

Land & buildings

Land and buildings include freehold property and are measured at fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Freehold buildings	50 years
Additional building costs	15 years
Plant and machinery	5 – 10 years, plus a piano depreciated over 20 years
IT (user interface)	3 years
IT (Servers etc)	5 years
Vehicles	4 years

Assets under construction are not depreciated until they are complete.

e. Taxation

The School, as a registered charity, is able to take advantage of the tax exemptions available to charities. Accordingly, there is no corporation tax payable on the net incoming resources.

f. Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument in accordance with the substance of the contractual arrangements entered into.

Trade and other debtors and creditors are classified as basic financial instruments and at initial recognition are measured at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the school will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the school's cash management.

A financial liability in the form of a bank loan is included in creditors due within one year and creditors falling due after more than one year. Bank loans are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. Details of carrying amounts, terms and conditions of the loan, security and interest expensed in the Statement of Financial Activities are included in note 5h.

g. Stock

Stock held relates to IT devices available for sale to students/parents for use in education. Stock is valued at the lower of cost and net realisable value. Stock is held as part of a charitable activity and is provided at a subsidised cost. In line with Charities SORP (FRS 102), net realisable value is based on the service potential provided by the item of stock and is not written down unless stock is damaged or obsolete.

h. Pension Schemes

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £597,905 (2021: £552,805).

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

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

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes

to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Non-Teaching Staff

For non-teaching staff the School contributes 16% of annual basic pay to a stakeholder pension scheme managed by Royal London.

2. Key Sources of Estimation Uncertainty and Judgement

The preparation of financial statements in conformity with the statement of recommended practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

There is estimation uncertainty in calculating the bad debt provision. A full review of fees receivable is carried out by management regularly. Whilst every attempt is made to ensure that the bad debt provision is as accurate as possible, there remains a risk that the provisions do not match the debts that prove to be ultimately irrecoverable.

There is estimation uncertainty in calculating depreciation. A full line by line review of fixed assets is carried out by management. Whilst every attempt is made to ensure that the depreciation policy is as accurate as possible, there remains a risk that the policy does not match the useful life of assets and that estimates for residual amounts recoverable may differ.

3. Statement of Financial Activities – Unrestricted Funds

Comparatives to SOFA from prior year

	Notes	2020/21					2019/20
		Unrestricted Funds	Unrestricted Revaluation Reserve	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£	£	£	£	£	£
<u>Income and Endowments from</u>							
Donations & Legacies	3a	4,408		0		4,408	8,493
Investment Income	3b	426		8	10	444	8,718
Incoming from charitable activities	3c	8,138,319				8,138,319	7,260,412
Total Incoming Resources		8,143,153	0	8	10	8,143,171	7,277,623
<u>Expenditure on Charitable</u>							
<u>Activities</u>							
School Services	3d	4,155,027		195		4,155,222	3,811,581
Support Costs	3e	2,461,471		9,067		2,470,538	2,341,125
Bursaries and Scholarships	3c	615,446		8,493		623,938	549,379
Total Resources Expended		7,231,943	0	17,755	0	7,249,698	6,702,085
Net Income(expenditure) and net movement in funds for the year		911,210	0	(17,747)	10	893,474	575,538
<u>Transfer between funds</u>							
Gains/(losses) on revaluation of fixed assets		103,330	(103,330)			0	0
Net Movement in Funds		1,014,540	(103,330)	(17,747)	10	893,474	575,538
Total Funds brought forward		7,484,963	4,856,528	111,954	99,131	12,552,576	11,977,038
Fund Balances at 31 August 21		8,499,503	4,753,198	94,207	99,141	13,446,050	12,552,576

Income and Endowments from

a. Donations & Legacies

£2,678 in donations were received from the PTA. Events organised by the PTA over the last two years raised funds to support student events.

b. Investment Income

Represents the interest earned on Funds.

c. Unrestricted Income from Charitable Activities

This represents school fees receivable and other educational income.

	2022	2021
	£	£
The School's fee income comprises:		
Gross Fees	8,199,008	7,591,657
Less bursaries, scholarships and staff discounts	(527,709)	(615,446)
	<u>7,671,298</u>	<u>6,976,211</u>
Bursaries	262,881	281,109
Hardship Fund	54,254	144,215
Scholarships	94,122	89,093
Staff Discounts	116,453	101,029
Total	<u>527,709</u>	<u>615,446</u>
Other Educational Income		
Catering	389,296	301,205
Coach Service	206,703	153,079
Rental Income	10,352	5,506
IT Equipment Receipts	189,940	40,300
Insurance Receipts	0	0
Other Income Commission etc	22,547	6,504
Government Grants	0	40,068
Total	<u>818,838</u>	<u>546,662</u>
Unrestricted Income from Charitable Activities	<u>9,017,846</u>	<u>8,138,319</u>

Expenditure on Charitable Activities

d. Unrestricted School Services (Tuition)

	2022	2021
	£	£
Personnel Costs	3,754,452	3,432,087
Other Costs	1,056,164	722,939
School Services	4,810,616	4,155,027
Personnel Costs	2022	2021
Salaries	2,848,058	2,600,793
NI	308,489	278,489
Pension Contributions	597,905	552,805
Total	3,754,452	3,432,087
Staff Numbers - FTE	2022	2021
Academic Teaching	54	52
Academic Support	9	7
Total	63	59
Staff Numbers – Average Number Employed	2022	2021
Full Time	57	47
Part Time	18	20
Total	75	67
Other Costs	2022	2021
Staff Related Costs	14,170	13,571
Departmental Resources	283,941	189,599
School Events	24,884	10,468
IT Related Costs	376,653	209,264
Transport Related Costs	349,249	285,657
Pupil Related Costs	7,267	14,576
Total Other Costs	1,056,164	723,134

Cost of key management personnel (Senior Management Team) included above is £630,007 (2021: £591,607).

The following number of employees received benefits totalling between:

	2022	2021
£60,000 and £70,000	1	2
£70,001 and £80,000	3	2
£80,001 and £90,000	-	-
£90,001 and £100,000	-	-
£100,001 and £110,000	-	1
£110,001 and £130,000	1	-

e. Support Costs

	2022	2021
	£	£
Personnel Costs	907,943	809,144
Other Costs	2,210,097	1,661,394
Total School Service Costs	3,118,040	2,470,538

	2022	2021
Staff Numbers - FTE		
Domestic	10	10
Property	3	2
General	13	11
Total	26	23

	2022	2021
Staff Numbers – Average Number Employed		
Full Time	15	15
Part Time	17	16
	32	31

	2022	2021
Personnel Costs - Domestic		
Salaries	205,003	241,929
NI	14,129	14,227
Pension Contributions	30,336	33,864
Total Domestic	249,469	290,020

	2022	2021
Personnel Costs – General		
Salaries	392,070	344,664
NI	40,387	34,439
Pension Contributions	63,363	53,618
Total Admin	495,820	432,722

	2022	2021
Personnel Costs - Property		
Salaries	132,420	69,726
NI	11,508	6,625
Pension Contributions	18,727	10,051
Total Property	162,655	86,402

Total Personnel Costs	907,943	809,144
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	2022	2021
Other Costs		
Catering Costs	211,549	144,447
Grounds and Property Maintenance	656,560	436,449
Property Supplies and Equipment	166,832	153,577
Admin Resources, Equipment and Marketing	255,871	187,437
Service Costs	224,539	220,112
Staffing and Recruitment Costs	43,735	29,246
Depreciation	628,037	472,515
Auditors remuneration:		
Statutory audit	22,974	17,610
Assurance services other than audit	0	0
Other financial services	0	0
Total Other Costs	2,210,097	1,661,394

4. Movement in Funds

A detailed breakdown of the movement of the Endowment Funds, Restricted Funds and Designated Funds is shown below:

a. Current Year Movement Endowment and Restricted Funds

	Balance at 31 Aug 21	Incoming Resources	Resources Expended	Balance at 31 Aug 22
Endowment Funds				
Endowment Funds	99,141	4,217	2,428	100,930
Total Endowment Funds	99,141	4,217	2,428	100,930
Bursary and Scholarships				
A.J. Vincent	71,341	34	0	71,374
Hardship Bursary Fund				
Fee donations	0	0	0	0
Restricted Donations				
Music department	14,218	0	9,067	5,151
Prizes and Awards				
A. Hitchens - Memorial	2,498	1	20	2,479
Guy Valadon - Single Science	1,197	7	15	1,189
J Hobbs - Memorial	1,274	1	20	1,254
John Crook	1,034	0	20	1,014
John Lewis – History	117	0	20	97
Ken Russell - Trophy	117	0	15	102
Neil Jones – Memorial Fund	99	0	0	100
Norma Cook – Senior Latin	186	0	15	171
Peacock – Latin	534	0	0	534
Peter Groves – Chemistry	557	0	0	557
Wendy Simmons – MFL	418	0	20	398
Bahadur Sunderji – Further Maths	121	0	20	101
Crosby - Maths Prize	372	0	15	358
Valerie Brooking - History Prize	-15	0	15	-30
Oliver Griffin - Government and Politics	141	0	20	121
Total Prizes and Awards	8,648	11	215	8,444
Total Restricted Funds	94,207	44	9,282	84,969

Prior Year Movement Endowment and Restricted Funds

	Balance at 31 Aug 20	Incoming Resources	Resources Expended	Balance at 31 Aug 21
Endowment Funds				
Endowment Funds	99,131	10	0	99,141
Total Endowment Funds	99,131	10	0	99,141
Bursary and Scholarships				
A.J. Vincent	71,334	7	0	71,341
Hardship Bursary Fund				
Fee donations	8,494	0	8,493	0
Restricted Donations				
Music department	23,285	0	9,067	14,218
Prizes and Awards				
A. Hitchens - Memorial	2,518	1	20	2,498
Guy Valadon - Single Science	1,211	0	15	1,197
J Hobbs - Memorial	1,294	0	20	1,274
John Crook	1,054	0	20	1,034
John Lewis – History	137	0	20	117
Ken Russell - Trophy	132	0	15	117
Neil Jones – Memorial Fund	99	0	0	99
Norma Cook – Senior Latin	201	0	15	186
Peacock – Latin	534	0	0	534
Peter Groves – Chemistry	557	0	0	557
Wendy Simmons – MFL	418	0	0	418
Bahadur Sunderji – Further Maths	141	0	20	121
Crosby - Maths Prize	387	0	15	372
Valerie Brooking - History Prize	0	0	15	-15
Oliver Griffin - Government and Politics	161	0	20	141
Total Prizes and Awards	8,841	1	195	8,648
Total Restricted Funds	111,954	8	17,755	94,207

b. Designated Funds

At each year end, the governors determine how much funds if any are to be designated for the purpose of funding future capital projects and/or are released to fund existing projects. In order to meet the reserves required by the Charities Commission guidance the School maintains £1,657,000 at all times. The Governors review the finances, budgets and spend of the School on a termly basis against the budget as part of the effective financial management of the School.

Unrestricted funds available in 2022 are £10,092,481 (2021 £8,499,506) and a proportion of this has been allocated and ring fenced for capital projects. These capital projects include further repairs and refurbishment of the Main Georgian house, additional dining / theatre facilities and installation of alternative energy sources that will reduce the School's reliance on expensive grid power.

5. Balance Sheet

a. Fixed Assets

	<u>Freehold land & Buildings</u>			<u>Equipment & Furniture</u>	<u>ICT</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
	Assets in Use	Assets under Construction	Total					
COST/VALUATION								
At 01/09/2021	13,537,239	1,696,066	15,233,305	770,145	482,419	16,485,869	30,152	16,516,021
Additions	1,121,360	175,536	1,296,895	247,632	47,757	1,592,284		1,592,284
Disposals					(5,228)	(5,228)		(5,228)
Redassification of Assets	1,486,886	(1,696,066)	(209,180)	180,030	29,150	(0)		(0)
Revaluation	(2,921,021)		(2,921,021)			(2,921,021)		(2,921,021)
At 31/08/2022	13,224,464	175,536	13,400,000	1,197,807	554,099	15,151,905	30,152	15,182,057
DEPRECIATION								
At 01/09/2021	1,089,878		1,089,878	510,038	259,207	1,859,123	17,108	1,876,231
Charge for the year	337,338		337,338	162,219	119,414	618,970	9,067	628,037
Elimination on disposal					(3,042)	(3,042)		(3,042)
Revaluation Adjustment	(1,427,215)		(1,427,215)			(1,427,215)		(1,427,215)
At 31/08/2022	(0)	0	(0)	672,257	375,579	1,047,836	26,175	1,074,011
NET BOOK VALUE								
At 31/08/2022	13,224,464	175,536	13,400,000	525,550	178,520	14,104,068	3,977	14,108,045
	13,224,464	175,536	13,400,000	525,550	178,520	14,104,068	3,977	14,108,045
At 31/08/2021	12,447,361	1,696,066	14,143,428	260,107	223,212	14,626,747	13,047	14,639,794
	12,447,361	1,696,066	14,143,428	260,107	223,212	14,626,747	13,047	14,639,794

b. Fixed Asset Disclosures

Freehold Land and buildings

The Land and Buildings were revalued in August 2022 by Cluttons LLP an independent valuer. The property has been valued on the basis of 'Fair Value' using the comparison method. Evidence of freehold and leasehold transactions of other schools and similar properties were analysed, adjusted, and applied to the property held by the charity.

Their valuations are:

Land (£)	450,000
Buildings (£)	12,950,000

If freehold land and buildings had not been revalued, it would have been included at the following values:

	2022	2021
	£	£
Aggregate Historic Cost	11,274,016	8,370,721
Aggregate accumulated depreciation	2,596,271	2,373,551
Aggregate carrying amount	8,677,745	5,997,170

The property was purchased in 1956. Depreciation has only been charged on the property since the year ended 31 August 2002 in the financial statements, therefore the above calculations are based on depreciation charged from this date.

ICT

Included in ICT are fixed assets which were previously held under two finance leases. These have now both ended. Total net book value of assets held under finance leases is £0 (2021: £31,488).

c. Stock

	2022	2021
	£	£
IT Devices	88,213	214,103
	<u>88,213</u>	<u>214,103</u>

Stock held relates to IT devices available for sale to students/parents for use in education.

d. Debtors

	2022	2021
	£	£
Fees Receivable	14,240	74,209
Bad Debt Provision	(12,106)	(69,603)
Prepayments/Accrued Income	192,723	103,247
	<u>194,857</u>	<u>107,852</u>

e. Creditors - Amounts falling due within one year

	2022	2021
	£	£
Deferred Income	245,927	189,961
Accrued Expenses	173,347	126,181
Trade Creditors	146,441	3,701
Taxation and Social Security	0	0
Other Creditors	563,483	586,734
Bank loan (Note 5h)	387,800	231,133
	<u>1,516,999</u>	<u>1,137,709</u>

f. Deferred Income

Deferred income comprises fees paid upfront relating to the year ended August 2023.

	2022	2021
	£	£
Balance as at 1 st September 2021	189,961	174,376
Amount released to income from charitable activities	(189,961)	(174,376)
Amount deferred in year	245,927	189,961
Balance as at 31 st August 2022	<u>245,927</u>	<u>189,961</u>

g. Creditors – Amounts falling due after more than one year

	2022	2021
	£	£
Other Creditors	(0)	0
Bank loan (Note 5h)	4,195,200	3,735,412
	<u>4,195,200</u>	<u>3,735,412</u>

h. Financial Instruments

Amounts repayable by instalments are as follows:

	2022	2021
	£	£
Bank loan payable (falling due within one year)	387,800	302,337
Bank loan payable (falling due in more than one year but less than 5 years)	1,551,200	1,304,288
Bank loan payable (falling due in more than 5 years)	2,644,001	2,359,920
Total	<u>4,583,000</u>	<u>3,966,545</u>

The bank loans are secured on the School premises which has a carrying value of £13,400,000 on 31 August 2022 and on all the assets of the company. If any event of default specified in the terms occurs, then the bank may demand immediate repayment of the loans, all interest accrued and all other sums payable.

The School has one loan with NatWest Bank for £3,467,000 which commenced in August 2018 and will be repaid over 15 years. Interest is accrued at a variable rate of 2.3% above the base rate. Interest costs recognised in 2021/22 relating to this loan totalled £70,950 (2021: 63,703).

The School has taken a second loan for the Woodward Building with NatWest Bank for £2,350,000. The loan commenced in February 2022 and will be repaid over 15 years. Interest is accrued at a fixed rate of 3.87%. The loan was in drawdown at the previous year end and the

total facility had not been utilised. The loan drawdown as at 31st August 2021 was £1,424,079. Interest costs recognised for 2021/22 relating to this loan totalled £72,940.

i. Reconciliation of Funds

The School's funds are considered below.

	Unrestricted Funds: Profit and loss fund £	Unrestricted Funds: Revaluation Reserve £	Restricted Funds £	Endowment Funds £	2022 Total £	2021 Total £
Balance at 1st Sept 2021	8,499,503	4,753,198	94,207	99,141	13,446,049	12,552,576
Net Movements in year	579,080		(9,238)	1,789	571,631	893,473
Transfer in the year	(413,320)	413,320			0	0
Gains/(losses) on revaluation of fixed assets	1,427,217	(2,921,021)			(1,493,803)	
Balance at 31st Aug 2022	10,092,481	2,245,497	84,969	100,930	12,523,877	13,446,049

Comparatives of school funds in prior year

	Unrestricted Funds: Profit and loss fund £	Unrestricted Funds: Revaluation Reserve £	Restricted Funds £	Endowment Funds £	2021 Total £	2020 Total £
Balance at 1st Sept 2020	7,484,963	4,856,528	111,954	99,131	12,552,576	11,977,038
Net Movements in year	911,210		(17,747)	10	893,473	575,538
Transfer in the year						
Revaluation Adjustment	103,330	(103,330)	0	0	0	0
Balance at 31st Aug 2021	8,499,503	4,753,198	94,208	99,141	13,446,049	12,552,576

Unrestricted funds represent accumulated income from the School's activities and other sources less expenditure that are available for the general purpose of the School.

Restricted funds represent donations received from external donors, which are used for prizes and awards each year.

A Declaration of Trust established the Endowment Fund in 1968. This Trust fund is a permanent endowment that is the capital of the Trust fund and cannot be spent, only the income accrued on the capital sum.

6. a. Reconciliation of net movement in funds to net cash from operating activities

	Unrestricted Funds	Restricted Funds	Endowment Fund	2022	2021
	£	£	£	£	£
Net income/(expenditure)	579,080	(9,238)	1,789	571,631	893,473
<i>Adjustments for:</i>					
Depreciation Charges	618,972	9,067	0	628,039	472,516
Net Interest adjustment	129,692	(44)	(46)	129,602	77,121
Loss/(profit) on the sale of fixed assets	2,186	0	0	2,186	6,108
Increase in finance lease assets	0	0	0	0	0
(Increase)/Decrease in stocks	125,890	0	0	125,890	(214,103)
(Increase)/Decrease in debtors	(87,005)	0	0	(87,005)	71,376
Increase/(Decrease) in creditors	222,623	0	0	222,623	(103,748)
Net cash provided by (used in) operating activities	1,591,439	(215)	1,743	1,592,967	1,202,743

6. b. Analysis of cash and cash equivalents

	Unrestricted Funds	Restricted Funds	Endowment Fund	2022	2021
	£	£	£	£	£
Cash in hand	3,663,043	80,988	100,930	3,844,961	3,357,422
Total cash and cash equivalents	3,663,043	80,988	100,930	3,844,961	3,357,422

6.c Analysis of Change in net (debt)/funds

Net Cash		at 01/09/2021	Cashflow	at 31/08/2022
Cash at bank and in hand				
	Unrestricted	3,177,121	485,922	3,663,043
	Restricted	81,160	(172)	80,988
	Endowment	99,141	1,789	100,930
		<u>3,357,422</u>	<u>487,539</u>	<u>3,844,961</u>
Debt				
Debt falling due within one year	Unrestricted	(302,337)	(85,463)	(387,800)
Debt falling due after one year	Unrestricted	(3,664,208)	(530,992)	(4,195,200)
		<u>(3,966,545)</u>	<u>(616,455)</u>	<u>(4,583,000)</u>
Total		<u>(609,123)</u>	<u>(128,916)</u>	<u>(738,039)</u>

7. Operating Leases

The total future minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
Within one year	41,180	35,011
Between one and five years	39,013	37,313
More than five years	953	0
Total Operating Leases	81,146	72,325

The total operating lease expenditure included in the Statement of Financial Activities is £39,031 (2021: £38,741).

8. Finance Leases

The total future minimum lease payments under non-cancellable finance leases fall due as follows:

	2022	2021
	£	£
Within one year	0	34,656
Between one and five years	0	0
More than five years	0	0
	0	34,656
Less finance charges	0	1,914
	0	32,743

The School had one finance lease for the use of IT equipment ending on 31st August and the IT items were purchased at the end of the lease for £2,969. Total carrying amount of fixed assets held under both finance leases are disclosed in note 5a. The finance lease liability for both was included in other creditors.

9. Transactions with Related Parties

There was no remuneration paid to the Governors in the year (2021: Nil), nor expenses paid then reimbursed to Governors (2021: Nil). There were no other related party transactions in the current or prior year.

10. Legal Status

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charitable company's registered office is included on page 3.