

Charity Registration No. 307019

Company Registration No. 924280 (England and Wales)

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2010



THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Governors

J R Maudslay (Chairman)
C J Driver
J Hamer
A Moore-Bick
G Nash
P Noel
G Peters
J Slater
A Steven
J Stevenson

Secretary & Business manager

J S Field

Principal

L Smith

Charity number

307019

Company number

924280

Principal address and registered office

Brickwall Rye Road
Northiam
Rye
East Sussex
TN31 6NL

Auditors

Russell New Limited
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Bankers

HSBC Bank plc
4 Robertson Street
Hastings
East Sussex
TN34 1HW

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
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THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2010

The Governors present their report and accounts for the year ended 31 August 2010

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum of Association, applicable law and the requirements of the Statement of Recommended Practice, 'Accounting and Reporting by Charities' issued in March 2005

Structure, governance and management

The charity is a limited liability company governed by the Memorandum and Articles of Association as amended by special resolution on 4 October 1996. The company is registered in England and Wales and numbered 924280

The Governors who are also the directors for the purpose of company law, who served during the year were

J R Maudslay (Chairman)

C J Driver

J Hamer

A Moore-Bick

G Nash

(Appointed 1 January 2010)

P Noel

G Peters

J Slater

A Steven

J Stevenson

Governors are proposed and appointed by current serving Governors at a full meeting of the members. None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

New Governors are usually either well known to existing Governors in a professional capacity, or are personally recommended to them by similar connections. Prospective Governors typically receive an extensive briefing from the Chairman of Governors before visiting the school and having the opportunity to meet with and question the Principal and members of the Senior Management Team. Criminal Records Bureau checks are undertaken for new Governors.

Governors are selected on the basis of their extensive knowledge and experience in relevant sectors. The Chairman ensures that a broad balance of experience is maintained encompassing the spheres of education, finance, and business, as well as social and moral guidance.

Governors are encouraged to attend those training courses and conferences which they consider helpful in broadening and deepening their existing knowledge and strengths.

The school is governed through a Company limited by guarantee, by an independent Board of Directors which oversees the management and sets the policies for the school. The Board members fulfil the roles of school Governors and act as Trustees. The Principal is entitled to sit on the Board if she so chooses. The Board meets once a term as a minimum. The Board has also established a Finance and General Purposes Committee and a Marketing Committee, each of which meets at least once a term. The executive function is managed and accomplished by a senior management team led by the Principal.

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010**

The school is registered by the Department for Education (DfE) and by the Council for the Registration of Schools Teaching Dyslexic Pupils (CRSTeD). It is approved by the Independent Schools Association and is a member of the Boarding Schools Association.

The Governors are satisfied that systems are in place to manage exposure to major risks. The Governors are satisfied that all appropriate steps have been taken to ensure the future financial stability of the Company. A continuing process is in place in order to identify, monitor and minimise all significant areas of risk.

Objectives and activities

The principal object of the Charity is that of an independent co-educational school, known as Frewen College. The aim of the school is to be a centre of excellence for educating children with Specific Learning Difficulties such as Dyslexia, Dyspraxia and related difficulties including Speech and Language problems and a small number with Asperger's Syndrome. The school includes a junior section known as Frewen College Juniors.

The Company is established to deliver the following principal objects -

- a) to promote the cause of education,
- b) in furtherance of that object, to establish and carry on any school or schools, to acquire any school as a going concern subject to any liabilities thereto,
- c) to provide for the training and instruction of pupils in any school so acquired or established in every branch of learning and knowledge, in citizenship, and in arts and crafts of all kinds, and on the basis of broad Christian principles to provide such pupils with spiritual, moral, mental and physical training in a non-denominational environment,
- d) in furtherance of the foregoing objects to do all or any of the things laid down in the Memorandum of Association.

In pursuit of the school's specialist educational objectives all appropriate classroom staff including teaching assistants are expected to undertake specialist training. Full time therapists are employed offering speech and language, occupational, sensory integration, and sound therapy. Small class sizes are maintained, and individual education plans are prepared for each pupil. Daily reading tuition is provided for all pupils in small groups as well as regular intensive numeracy tuition.

The school continues to broaden the range of pupils to which it can offer its specialist facilities, having become co-educational, extended the age range downward, and reintroduced full boarding. Boarding for girls was introduced in September 2009.

Advisory support is provided to parents seeking Local Authority funding, and a means tested bursary scheme is available to assist parents of limited means who are unable to obtain funding, and Services Bursaries are available to assist Service families. During the year 16 pupils benefited from bursary support. An additional bursary fund, The Chairman's Fund, has been established to provide full financial support in a small number of deserving cases.

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010**

The school continued to develop its educational facilities with a further expansion of the IT network, considerable enhancement of Science provision and a review of Literacy provision. Sports provision continued to expand with increased fixtures with mainstream as well as specialist schools, and a number of successes were recorded in athletics and cross country meetings. The junior school participated in the Rural Rother Sports Partnership and enjoyed involvement in a wide range of sports activities with local Primary Schools, including hosting a number of tournaments.

The school continues to extend its pastoral activities with both boarding and day pupils. Two classroom staff have time allocated to mentoring activities and have undertaken specialist training. Boarding Care staff regard the social development of their pupils as an integral part of their role. Pupils are encouraged to join external groups such as Scouts and Athletics Clubs, and to give enthusiastic support to fundraising activities such as Children in Need and MacMillan Nurses.

Achievements and performance

The school's considerable efforts to improve standards in boarding were rewarded by the award of an 'Outstanding' overall assessment by Ofsted. This followed a further excellent report following the annual Local Authority Inspection. Examination results were outstanding, with our first A* results being achieved. All 16 pupils achieved A* in ICT and a further two in Art. Once again our pupils averaged seven GCSE passes each, and all leavers again went on to further education or employment. Excellent results were achieved in the annual ISA Art Exhibition.

Pupil numbers increased strongly through the year, particularly in Boarding, which ended the year at its highest levels for ten years. The numbers of girls and Services pupils continued to grow steadily.

The principal strategic development was the successful introduction of girls' boarding, in the former Principal's house on site. More than half the available places were filled by the end of the year, and plans were initiated to increase capacity.

Financial review

The actions taken at the end of the previous year to contain costs and increase income continued to bear fruit, ensuring a satisfactory out-turn, despite instigation of wide-ranging maintenance works.

The management of the school was able to continue to invest in improving facilities, particularly in IT, Games, and Science, and low pupil teacher ratios were maintained. The premises were again utilised during the summer to accommodate a summer school teaching English as a foreign language. This activity provided a useful contribution to the overall financial performance. The school was delighted to take delivery of a new minibus funded by The Lord's Taverners, and was also pleased to benefit from a new e-library, funded by a charitable foundation.

No material assets were disposed of during the year. It is the policy of the Governors that the activities of the school should continue to be self funding and that any surplus created on the disposal of assets should be reinvested in improving facilities or repayment of debts.

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

Funding sources and how expenditure meets objectives

School fees continue to represent the great majority of income, and the school has experienced an increase in pupils funded by Local Authorities and the MOD. Additional income is generated from summer school, grants and donations, and a small amount of rental income. All expenditure is directly related to the salaries of classroom and support staff, the delivery of the school curriculum, and the upkeep of the school's premises, fixtures, fittings and equipment.

The school continues to operate a means tested bursary scheme to assist parents with school fees. Additional discounts and bursaries are available to children from Armed Forces families, and sibling discounts are provided. The Governors have agreed a limit on the maximum bursary commitments permissible, as a proportion of total fee income.

The Trust has wide investment powers, but any monies subject to the jurisdiction of the Charity Commission for England and Wales or the Secretary of State for Education and Skills or representing property so subject shall be invested only upon such investments and with such sanction (if any) as may for the time being be required by law.

Public Benefit

The Governors are confident that the outcome of the Charity Commission's consultation on Public Benefit has no deleterious impact on the school's existing operations. The school's specialist role, with a consequent high proportion of LA and MOD funded placements, sets it apart from the majority of the Independent sector. The means tested bursary scheme, the establishment of the Chairman's Fund, and the advisory support given to parents seeking funding all underpin the school's conviction that access to specialist education should be available to the broadest possible spectrum of pupils in terms of their social and economic background.

In addition a number of the school's facilities are made available to the public, in particular the maintained primary school adjacent to the school, the local village cricket club, and local youth football teams. A number of initiatives have been implemented to improve public access to and benefit from the historic house and grounds.

Asset cover for funds

The assets are sufficient to meet the charity's obligations.

Plans for the future

The cost controls now implemented will ensure a sound financial operating basis for the future, including adequate provision to secure the appropriate maintenance and future development of the premises.

With effect from September 2010 our existing girls' boarding provision is effectively full, and additional space will be made available from January 2011. The increase in girls, Services pupils, and International students all serve to emphasise the growing importance of the boarding operation to the future success of the school, and plans are in hand to ensure that boarding capacity keeps pace with demand. For the first time the school has had to close admissions to Year 7, which is effectively full.

Emphasis is being placed upon enhancing the academic performance of the school, and improving testing and evaluation. Literacy provision is being further reviewed and enhanced. Games provision has been further enhanced and a new House system put in place.

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010**

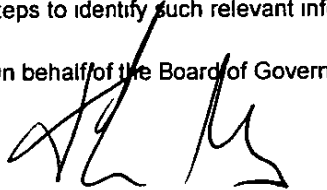
The Senior Management Team continues to follow closely developments in the 14-19 Curriculum which could have a considerable impact on the school in the future. While optional for independent schools, the strengthening of links between school and the workplace should be beneficial for our pupils and it is likely that the school will wish to offer parts of the new curriculum in due course.

The DfE has announced the cessation of S347 registration, and also announced that ISA member schools will in future return to being subject to the Independent Schools Inspectorate. The school's management consider that there are significant benefits to retaining ISA membership while being subject to Ofsted inspection and together with other specialist schools is seeking accommodation of these preferences.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

On behalf of the Board of Governors



J R Maudslay (Chairman)

Governor

Dated 11/2/2011

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
STATEMENT OF GOVERNORS' RESPONSIBILITIES**

The Governors, who are also the directors of The Frewen Educational Trust Limited for the purpose of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Governors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year

In preparing these accounts, the Governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the School 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 School and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE FREWEN EDUCATIONAL TRUST LIMITED**

We have audited the accounts of The Frewen Educational Trust Limited for the year ended 31 August 2010 set out on pages 9 to 20. These accounts have been prepared in accordance with the accounting policies set out on pages 11 and 12.

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.

Respective responsibilities of Governors and auditors

As described on page 6, the Governors, who are also the directors of The Frewen Educational Trust Limited for the purposes of company law, are responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for satisfying themselves that the School's accounts give a true and fair view.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether, in our opinion, the information given in the Governors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Governors in the preparation of the accounts, and of whether the accounting policies are appropriate to the School's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF THE FREWEN EDUCATIONAL TRUST LIMITED**

Opinion

In our opinion

- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the accounts have been prepared in accordance with the Companies Act 2006,
- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the School as at 31 August 2010, and of its incoming resources and application of resources for the year then ended,
- the information given in the Governors' Report is consistent with the accounts



Mr Mark Cummins FCCA (Senior Statutory Auditor)

On behalf of Russell New Limited

Statutory Auditor

The Courtyard

Shoreham Road

Upper Beeding

Steyning

West Sussex

BN44 3TN

Dated *22 February 2011*

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2010

	Notes	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
<u>Incoming Resources</u>					
Incoming resources from generated funds					
Voluntary income- donations and gifts		25,215	11,340	36,555	5,235
Fundraising activities	2	56,221	1,191	57,412	49,735
Investment income- interest received		3	-	3	515
		81,439	12,531	93,970	55,485
Incoming resources from charitable activities	3	1,909,737	-	1,909,737	1,831,552
Total incoming resources		1,991,176	12,531	2,003,707	1,887,037
<u>Resources Expended</u>					
Costs of generating funds					
Fundraising activities	2	36,410	-	36,410	21,007
Charitable activities					
Education		1,859,698	2,433	1,862,131	1,934,646
Governance costs		13,846	-	13,846	12,740
Total resources expended	4	1,909,954	2,433	1,912,387	1,968,393
Net income/(expenditure) for the year/ Net movement in funds		81,222	10,098	91,320	(81,356)
Fund balances at 1 September 2009		356,833	4,256	361,089	442,445
Fund balances at 31 August 2010		438,055	14,354	452,409	361,089

All income and gains for the period are recognised above. All of the school's activities are classified as continuing.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

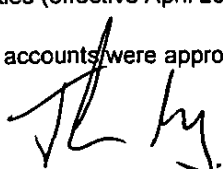
THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 AUGUST 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	8	1,076,699		1,050,021	
Current assets					
Debtors	9	369,899		327,084	
Cash at bank and in hand		8,981		5,640	
		<u>378,880</u>		<u>332,724</u>	
Creditors: amounts falling due within one year	10	<u>(853,109)</u>		<u>(808,767)</u>	
Net current liabilities		<u>(474,229)</u>		<u>(476,043)</u>	
Total assets less current liabilities		602,470		573,978	
Creditors, amounts falling due after more than one year	11	<u>(150,061)</u>		<u>(212,889)</u>	
Net assets		<u>452,409</u>		<u>361,089</u>	
Income funds					
Restricted funds	14	14,354		4,477	
Unrestricted funds		<u>438,055</u>		<u>356,612</u>	
		<u>452,409</u>		<u>361,089</u>	

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (effective April 2008)

The accounts were approved by the Board on

11/2/2011


J R Maudslay (Chairman)
Governor

Company Registration No. 924280

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2010

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention

The school has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

1.2 Incoming resources

School fee income is accounted for on a receivable basis and consists of charges billed for the school year ended 31 August 2010, after deducting allowances, scholarships and other remissions granted by the school. Fees received for education to be provided in future years are carried forward as deferred income

Donations and legacies are accounted for as received by the school

Summer school income is accounted for as receivable

Investment income is accounted for in the period in which the school is entitled to receipt

1.3 Resources expended

Expenditure is included in the Statement of Financial Activities on an accruals basis, including irrecoverable value added tax. Overhead and other costs not directly attributable to a particular functional activity category are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year

Governance costs comprise the costs of complying with constitutional and statutory requirements, such as the cost of board and committee meetings, audit, preparing statutory accounts and satisfying public accountability

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold land is not depreciated

Freehold buildings	1% on cost or revalued amounts of land and buildings less an estimated £50,000 for the cost of the land
Leasehold property	20% on cost
Fixtures and fittings	33% on cost
Motor vehicles	25% reducing balance

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

1 Accounting Policies

(continued)

1.6 Pensions

The School pays defined contributions for employees to the Teachers Pension Scheme, a scheme administered by the Government. The contributions are at rates set by the Scheme Actuary and advised by the Scheme Administrator. In addition, the company contributes to externally funded defined contribution schemes for other staff. Contributions payable under all these schemes are charged in the Statement of Financial Activities as incurred.

1.7 Accumulated funds

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the governors.

Restricted funds - are those to be used in accordance with specific restrictions imposed by the donor or which have been raised by the school for a specific purpose. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out further in the notes to the accounts.

2 Fundraising activities

	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
Fundraising activities	56,221	1,191	57,412	49,735
Fundraising activities	(36,410)	-	(36,410)	(21,007)
Net activities for generating funds	19,811	1,191	21,002	28,728
Fundraising activities comprise.				
Summer school	45,484			46,730
Chairman's fund	-			272
Rental income	1,965			920
General fundraising	8,772			1,813
	56,221			49,735

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

3 Incoming resources from charitable activities

	2010 £	2009 £
Gross school fees	1,959,503	1,911,058
Bursaries	(71,147)	(92,925)
	<u>1,888,356</u>	<u>1,818,133</u>
Extras	18,948	10,244
Bursaries provided by restricted funds	2,433	3,175
	<u>1,909,737</u>	<u>1,831,552</u>
Net school fees	<u><u>1,909,737</u></u>	<u><u>1,831,552</u></u>

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

4 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2010 £	Total 2009 £
Costs of generating funds					
Fundraising activities	12,317	-	24,093	36,410	21,007
Total costs of generating funds	12,317	-	24,093	36,410	21,007
Charitable activities					
<u>Education</u>					
Teaching	1,005,894	10,464	79,481	1,095,839	1,177,376
Housekeeping, cleaning and catering	179,033	-	81,140	260,173	233,361
Premises	137,018	28,852	155,120	320,990	312,855
Finance costs	-	-	10,292	10,292	24,559
Bursaries paid from restricted funds	-	-	2,433	2,433	3,175
Support costs	125,971	-	46,433	172,404	183,320
Total charitable activities	1,447,916	39,316	374,899	1,862,131	1,934,646
Governance costs	-	-	13,846	13,846	12,740
	1,460,233	39,316	412,838	1,912,387	1,968,393

Governance costs includes payments to the auditors of £7,765 (2009 £7,322) for audit fees and £115 (2009 £633) for other services

Included within support costs are operating lease payments in respect of equipment leases amounting to £7,866 (2009 £10,065) and motor vehicle leases £5,072 (2009 £8,308)

5 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the School during the year

Two Governors were reimbursed a total of £155 (2009 £505) for travelling expenses

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

6 Employees

Number of employees

The average monthly number of employees during the year was

	2010	2009
	Number	Number
Teaching staff	34	35
Household staff	15	15
Administration staff	4	4
	53	54

Employment costs

	2010	2009
	£	£
Wages and salaries	1,262,685	1,325,079
Social security costs	96,874	101,788
Other pension costs	100,674	113,305
	1,460,233	1,540,172

There were no employees whose annual emoluments were £60,000 or more

7 Taxation

There is no liability to UK Corporation tax due to the school's charitable status

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

8 Tangible fixed assets

	Land and buildings £	Portable buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2009	1,223,163	30,134	532,355	34,393	1,820,045
Additions	5,546	-	28,828	37,137	71,511
Disposals	-	-	(509,183)	-	(509,183)
At 31 August 2010	1,228,709	30,134	52,000	71,530	1,382,373
Depreciation					
At 1 September 2009	198,901	30,134	511,313	29,676	770,024
On disposals	-	-	(503,666)	-	(503,666)
Charge for the year	11,692	-	17,160	10,464	39,316
At 31 August 2010	210,593	30,134	24,807	40,140	305,674
Net book value					
At 31 August 2010	1,018,116	-	27,193	31,390	1,076,699
At 31 August 2009	1,024,262	-	21,042	4,717	1,050,021

9 Debtors

	2010 £	2009 £
Trade debtors	326,741	300,363
Prepayments and accrued income	43,158	26,721
	369,899	327,084

THE FREWEN EDUCATIONAL TRUST LIMITED
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2010

10 Creditors: amounts falling due within one year	2010	2009
	£	£
Bank loans	57,005	51,178
Bank overdrafts	-	38,012
Trade creditors	29,489	21,472
Taxes and social security costs	37,306	63,371
Other creditors	30,440	31,525
Accruals	7,755	7,360
Deferred income	691,114	595,849
	853,109	808,767

Deferred income represents fees invoiced in advance for the Autumn term 2010

11 Creditors: amounts falling due after more than one year	2010	2009
	£	£
Bank loans	150,061	212,889
Loan maturity analysis		
Debt due in one year or less	57,005	51,178
In more than one year but not more than two years	57,005	51,178
In more than two years but not more than five years	93,055	153,534
In more than five years	-	8,177
	207,065	264,067

The bank loan and overdraft are secured by a fixed and floating charge over the assets of the school

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12 Pension and other post-retirement benefit commitments

Teachers are required to join the Teachers' Pension Scheme (TPS), unless they opt out, which is an unfunded defined benefit scheme. Teachers' contributions, which are on a pay-as-you-go basis, and employer's contributions are credited to the Exchequer under arrangements governed by the Superannuation Act 1972.

Not less than every four years, with a supporting interim valuation in between, the Government Actuary (GA), using normal actuarial principles, conducts a formal actuarial review of the scheme. The aim of the review is to specify the level of future contributions.

The standard contribution rate (SCR) of pension contributions is assessed in two parts. First, a standard contribution is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75%, plus a supplementary contribution rate of 0.75% (to balance assets and liabilities as required by the regulations within 15 years), a SCR of 20.5%. This translates into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced - effective for the first time with effect from the 2008 valuation - a 14% cap on employer contributions payable. The next valuation of the Scheme by the Government Actuary due to be prepared at 31st March 2008 has not yet been published.

The 2006 interim actuarial review, published in June 2007, did not recommend any changes to the SCR and concluded, as at 31 March 2006, and using the above assumptions, that the Scheme's total liabilities amounted to £176,600 millions.

Under the definitions set out in Financial Reporting Standard 17 (Retirement Benefits), the Teachers' Pension Scheme is a multi-employer scheme and, as such, the charity is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the charity has taken advantage of the exemption in FRS 17 and has accounted for its contributions as if it were a defined contribution scheme.

During the year contributions of £87,785 (2009 £100,058) were paid to the Teachers Pension Scheme and £12,891 (2009 £13,247) to other defined contribution schemes. There was £12,549 (2009 £14,039) outstanding at the balance sheet date.

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13 Share capital

The school is a company limited by guarantee and does not have a share capital. In the event of the company being wound up and unable to meet its liabilities, each member undertakes to contribute such sums as may be required up to a maximum of £1.

No one member has overall control of the company.

14 Restricted funds

	Balance at 1 September 2009	Movement in funds		Balance at 31 August 2010
	£	Incoming resources	Resources expended	£
The Chairman's Fund	2,843	2,340	(2,433)	2,750
Academic Fund	1,413	10,191	-	11,604
	<u>4,256</u>	<u>12,531</u>	<u>(2,433)</u>	<u>14,354</u>

The Chairman's Fund

This has been created to enable children who live in Northiam or the adjacent villages and who fulfil all the school's admission requirements to have an education that they would not, in the opinion of the Senior Management Team, achieve in a mainstream school.

Academic Fund

This fund represents restricted donations received for academic purposes.

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 August 2010 are represented by			
Tangible fixed assets	1,076,699	-	1,076,699
Current assets	364,526	14,354	378,880
Creditors amounts falling due within one year	(853,109)	-	(853,109)
Creditors amounts falling due after more than one year	(150,061)	-	(150,061)
	<u>438,055</u>	<u>14,354</u>	<u>452,409</u>

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16 Commitments under operating leases

At 31 August 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Expiry date		
Within one year	-	7,096
Between two and five years	12,938	11,275
	<u>12,938</u>	<u>18,371</u>

17 Related parties

There were no related party transactions during the year