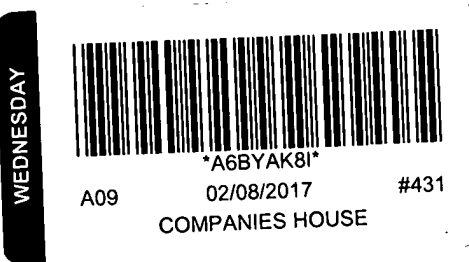


Company registration number: 1080984

Charity registration number: 525489

F H S TRUST LIMITED
(A Company Limited by Guarantee
and not having a share capital)

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016



F H S TRUST LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2016

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F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2016

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name: F H S Trust Limited

Charity registration number: 525489

Company registration number: 1080984 (England and Wales)

Principal address: 36 St James Crescent
Swansea
SA1 6DR

Registered office: c/o WBV Limited
The Third Floor
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Trustees

The trustees who served the charity during the period were as follows:-
Mr G M Astley
Mrs J Morgan
Mrs B H Hughes
Mr D A Rowe

Company Secretary: Mr G M Astley

Independent Examiner: Mr T J Jones
WBV Limited
The Third Floor
Langdon House
SA1 Swansea Waterfront
Swansea
SA1 8QY

Principal Bankers: Barclays Bank Ltd
1-6 Pocketts Wharf
Maritime Quarter
Swansea,
SA1 3XL

Solicitors: Peter Lynn & Partners
2nd Floor
Langdon House
Langdon Road
Swansea, SA1 8QY

F H S TRUST LIMITED

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2016

The Trustees who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2016. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS102)" in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

FHS Trust Limited is a charitable company limited by guarantee incorporated on 9 November 1972 and registered as a charity on 28 March 1973. The company is established under a Memorandum of Association which sets out the objectives and powers of the charitable company and is governed under its Articles of Association. (These memorandum and articles were amended in 2007 and by Special Resolution in 2004.) In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purposes of charity law. Potential trustees are invited to apply by the existing board members and no person may be admitted unless he or she, is first approved by the board. There is no requirement for the trustees to retire by rotation.

As the work of the charity involves the education of children, trustees are required to undergo a Disclosure and Barring Services check.

Organisational Structure

Trustees are appointed on the basis of various skills which they possess in order to maintain the running of the charity, with such skills ranging from educational to legal and professional.

OBJECTIVES AND ACTIVITIES

The company's objects and principal activities are to promote and provide for the enhancement of education for children between the ages of 11 to 18 within the Swansea surrounding area. From 14 June 2007, the company has held the property in Trust.

ACHIEVEMENTS AND PERFORMANCE

Headteacher

Mr Michael Boulding has successfully completed his first year as Headteacher, introducing a range of new initiatives whilst maintaining high standards. His appointment coincides with the major transition taking place in the public examination systems of England and Wales, involving more rigorous specifications at GCSE and A-Level.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2016

ACHIEVEMENTS AND PERFORMANCE (continued)

Excellent education

Despite being a non-selective school, the school continued its record of achieving outstanding results, with 100% pass rate at A-level and 97% achieving at least five passes at GCSE including English and Mathematics.

Sixth Form students went on to study a wide range of University courses, with a high proportion at Russell Group Universities, including in International Business, Chemical Engineering, Medical and Veterinary sciences, Mathematics and Law.

At a time when the cultural departments of other schools are under threat, the school still offers all students with opportunities to engage in the Arts, thereby providing valuable creative and confidence building activities. Many students have achieved personal success in the Arts or their chosen sport, including representation at national level.

Enrichment

The new Headteacher has completed his first year of management and has introduced an ambitious programme of leadership activities for all years. In senior years, this has included Sixth Form internships and the introduction of the Extended Project Qualification. Several Sixth Formers were again successful this year in their applications to attend the prestigious McWhirter Foundation Conference at Oxford and Cambridge Universities.

The programme of enrichment has included learning about other cultures and communities through various trips, language opportunities and visiting speakers.

Charitable activities

Trustees and management firmly believe that engagement with the local community and charitable activities are beneficial for all. Led by Sixth Formers, students have raised funds for others, including the Alzheimer's Society, the Cyrenians and Swansea's Mr X appeal. Over £2,500 was also raised with a whole school Race for Life for Cancer UK. In addition to charitable activities, School facilities are used by local community groups on a regular basis.

Growth

The number of enquiries and admissions continues to grow, and the school is now successfully attracting students from a greater cross section of primary schools across the Swansea area.

In particular, enrolments in early years are steadily rising year on year. The number of students is consistent with class sizes of 15-22 students, which Trustees believe is the optimum size to achieve a good learning experience, whilst retaining the small, family local environment on which the school was founded.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2016

Teaching and learning

The English Department has been strengthened, with the addition of two new staff, following the retirement of the previous Head of Department.

Curriculum changes have been implemented to adapt to the new public examination systems. Early indications are that these new courses will be much more demanding than the legacy qualifications, with the intention of enabling Universities and employers to more easily identify the best candidates.

Transport

This year has seen the introduction of a new school minibus, operating at a subsidized rate for the benefit of students travelling to and from school, and for a variety of school activities. The service has proved extremely popular, and to meet the numerous enquiries being received from further afield, investment in another minibus is planned.

IT investment

Substantial enhancement to the school's information technology infrastructure commenced this year with the introduction of a new virtualized fileserver environment, a new telephony system and Microsoft Office 365 software. The continuing IT upgrade programme will include new PC equipment in the forthcoming academic year.

Website

A completely new website was commissioned this year, taking advantage of the latest 'responsive' design and technology, to ensure parents can access the site from any device. This has improved the information available to existing and prospective parents, and user feedback has been positive.

Facilities

A rolling programme of improvement works continues to be made to the site to ensure repairs and preventative maintenance are carried out in a cost effective and timely manner. An upgrade to the former chapel, now refectory, has included new dining furniture in addition to decoration and general refurbishment. A new CCTV system has also been installed to enhance security.

FINANCIAL REVIEW

The financial statements show net outgoing resources for the year of £181,516. This is an improvement on the previous year and resulted from an increase in income. The principal source of income is fees accounting for 81% of the school's income. The trustees are continuing their strategy of deploying all resources to invest in the educational purposes and fabric of the school.

Reserves policy

The charity has, in the past, committed itself to the long term purchase of schools for the provision of education. Following the changes in the business activity during the previous year, the trustees have agreed to use the reserves generated to fund future school activities. Due to deficits between 2013 and 2016 this has meant that the unrestricted reserves were in deficit by £238,660 at 31 August 2016. The trustees are working towards generating a surplus to replenish reserves.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2016

PLANS FOR FUTURE PERIODS

Ffynone School House regularly conducts surveys on how it can improve the delivery of service to current and potential students.

Significant improvements have been made to the school site and this will continue in the future.

Pupil numbers have increased since 2012 and action will continue to further relationships with local schools as well as local industry in order to continue this trend.

PUBLIC BENEFIT

Ffynone House School remains committed to its founding principle to provide bespoke, day school education within a small, family style environment, for the benefit of families in Swansea. Trustees continue to believe that being a charitable trust is key to that endeavour.

Trustees have complied with their duty in the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission. To this end, fees are set as low as possible so as to benefit all students, whilst meeting the funding requirements of operating the school.

Term fees for the 2015/16 academic year were as follows:-

Year 7	£2,600
Years 8-9	£3,175
Years 10-13	£3,235

Means tested bursaries have been made available to a number of existing pupils in cases of hardship. The school is a non-selective, equal opportunity organisation, with an inclusive ethos based on equality and mutual respect, irrespective of economic status, gender, ethnicity, race, religion or disability.

The school makes its facilities available to local clubs and organisations at marginal cost. Students also participate in a wide range of activities that benefit the local community, including charitable fundraising.

Access to the school has been widened by the introduction of a new transport service.

TRUSTEES RISK ASSESSMENT

The Trustees have examined their major strategic business and operations risks they face and confirm systems are in place to mitigate those risks.

Following the agreement with Cognita that saw the Trustees recommence the running of Ffynone House School from 1 September 2012, the Trustees foresee the major risk to be the maintenance of pupil numbers. An extensive programme of advertising, brand awareness and networking in the local communities has been undertaken in an attempt to raise pupil numbers. The Trustees regularly review the financial position to ensure that any appropriate action is taken when required.

F H S TRUST LIMITED


TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2016

A further risk relates to the maintenance of the premises owned by the Trust. They are regularly reviewed and a programme of regular maintenance is followed in an attempt to minimise the need for large-scale repairs.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 1 August 2017

A handwritten signature in black ink, appearing to read 'E. Atley', is written over the text 'This report was approved by the Board on 1 August 2017'.

Trustee

F H S TRUST LIMITED

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2016

I report on the accounts of the company for the year ended 31 August 2016 which are set out on pages 8 to 23.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales and the Association of Chartered Certified Accountants

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

T J Jones
WBV Limited
The Third Floor
Langdon House
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date: 11/8/12

F H S TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 AUGUST 2016

		Unrestricted Funds	Restricted Funds	Total 2016	Total 2015 (as restated)
	Note	£	£	£	£
INCOMING RESOURCES					
Activities for generating funds:					
Investment income		-	-	-	26
Incoming resources from charitable activities:					
School fees and associated income	3	971,457	-	971,457	930,045
TOTAL INCOMING RESOURCES		<u>971,457</u>	<u>-</u>	<u>971,457</u>	<u>930,071</u>
RESOURCES EXPENDED					
Cost of generating funds:					
Charitable activities	4	1,150,002	-	1,150,002	1,156,780
Governance costs	5	2,971	-	2,971	3,240
TOTAL RESOURCES EXPENDED		<u>1,152,973</u>	<u>-</u>	<u>1,152,973</u>	<u>1,160,020</u>
NET RESOURCES EXPENDED		(181,516)	-	(181,516)	(229,949)
Gross transfers		27,000	(27,000)	-	-
NET MOVEMENT IN FUNDS	6	(154,516)	(27,000)	(181,516)	(229,949)
RECONCILIATION OF FUNDS					
Total funds brought forward (as restated)	14	315,621	177,750	493,371	723,320
TOTAL FUNDS CARRIED FORWARD		<u>161,105</u>	<u>150,750</u>	<u>311,855</u>	<u>493,371</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses had not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 13 to 23 form part of the financial statements

F H S TRUST LIMITED

BALANCE SHEET

31 AUGUST 2016

		2016		2015 (as restated)	
	Note	£	£	£	£
FIXED ASSETS:					
Tangible assets	10		685,571		693,545
CURRENT ASSETS:					
Debtors	11	340,872		234,519	
Cash at bank		272		775	
		<u>341,144</u>		<u>235,294</u>	
CREDITORS: Amounts falling due within one year	12	<u>714,860</u>		<u>(435,468)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(373,716)</u>		<u>(200,174)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>311,855</u></u>		<u><u>493,371</u></u>

THE FUNDS OF THE CHARITY:

Restricted Income funds	15	150,750		177,750	
Revaluation Reserve	14	399,765		401,683	
Unrestricted Income funds	14	<u>(238,660)</u>		<u>(86,062)</u>	
TOTAL FUNDS		<u><u>311,855</u></u>		<u><u>493,371</u></u>	

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2016.

The members have not requested the company to obtain an audit of its financial statements for the year ended 31 August 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:-

- a) ensuring that the company keeps accounting records which comply with Section 386 and 387 of the Companies Act 2006; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements so far as applicable to the company.

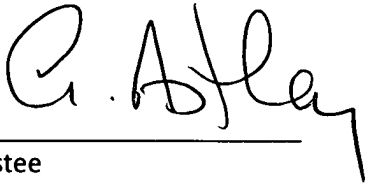
F H S TRUST LIMITED

BALANCE SHEET

31 AUGUST 2016 (CONTINUED)

These accounts have been prepared in accordance with the provisions applicable to companies subject to the 'small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements on pages 8 to 23 were approved and authorised for issue by the trustees on 1 August 2017 and signed on their behalf by:-

A handwritten signature in black ink, appearing to read 'C. Atley', is written over a horizontal line.

Trustee

The notes on pages 13 to 23 form part of the financial statements

F H S TRUST LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2016

		2016	2015
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	<u>(211,457)</u>	<u>(151,787)</u>
Net cash (used in) operating activities		<u>(211,457)</u>	<u>(151,787)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(4,980)</u>	<u>(527)</u>
Net cash (used in) Investing activities		<u>(4,980)</u>	<u>(527)</u>
 Change in cash and cash equivalents in the reporting period		 (216,437)	 (152,314)
Cash and cash equivalents at the beginning of the reporting period		<u>(151,904)</u>	<u>410</u>
Cash and cash equivalents at the end of the reporting period		<u><u>(368,341)</u></u>	<u><u>(151,904)</u></u>

The notes form part of the financial statements

F H S TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2016

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2016	2015
		£	£
Net (expenditure) for the reporting period (as per the statement of financial activities)		(181,516)	(229,949)
Adjustment for:			
Depreciation charges	1	12,954	12,954
(Increase)/decrease in debtors		(106,353)	25,347
Increase in creditors		63,458	39,861
Net cash (used in) operating activities		<u>(211,457)</u>	<u>(151,787)</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) "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 (FRS102) (effective 1 January 2015)," Financial Reporting Standard 102 "The Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of freehold property, which is included at fair value.

The date of transition to FRS102 which has had no effect on the charitable company's position and performance was 1 September 2014 and the end of the comparative period was 31 August 2015.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The company is not part of a group and the financial statements cover the individual charity alone.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The School has committed financial support in the form of an overdraft facility from its bank to enable it to continue to operate for the foreseeable future. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

Company status

The charity is a company limited by guarantee. The members of the company are the trustees noted on page 1. 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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Other incoming resources are accounted for when earned.

School fees and associated income is recognised in the academic year to which it refers. Any amounts received in advance are treated as deferred income.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/valuation on a straight line basis over their expected useful economic lives as follows:-

Freehold land	nil
Freehold buildings	at 2% of cost
Computer equipment	at 25% of cost

Fund accounting

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

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The teaching staff employed by the company are members of the teachers' superannuation pension scheme. This is a defined benefit scheme and the assets of the scheme are administered by the trustees of the scheme and are completely separate from the company.

The company deducts the employee contributions from the salary of the teachers and calculates the employer contribution. The total is then paid to the teachers' superannuation fund each month.

The pension liability is the responsibility of the Teacher's Pension Scheme. As a result it is not possible to identify the assets and liabilities of the scheme attributable to the school. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contribution scheme.

Netting off of income against expenditure

It is not the policy of the charitable company to show incoming resources net of expenditure.

Liabilities policy

Liabilities are recognized in the financial statements as they become payable.

Going concern

The charity incurred a net deficit for the period of £181,516 and the charity's unrestricted general reserves show a deficit of £238,660. However, it is believed that based upon the school's continuing focus on increasing pupil numbers and also focus on improving financial performance, the Trustees consider that the school has more than sufficient assets to support its operations for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable/payable within one year are recorded at transaction price.

2. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015 (as restated)
	£	£	£	£
Bank interest	-	-	-	26

3. SCHOOL FEES AND ASSOCIATED INCOME

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015 (as restated)
	£	£	£	£
School fees	786,643	-	786,643	761,951
Learning support	4,268	-	4,268	3,536
Lunch income	69,095	-	69,095	64,975
Transport	10,850	-	10,850	10,565
Exam fees	16,009	-	16,009	15,267
Trips	49,132	-	49,132	44,493
Music and elocution	18,492	-	18,492	9,775
Duke of Edinburgh	744	-	744	-
Other income	11,615	-	11,615	9,243
Year Book adverts	150	-	150	2,280
Prom	2,040	-	2,040	3,237
Grants	2,419	-	2,419	4,723
	<u>971,457</u>	<u>-</u>	<u>971,457</u>	<u>930,045</u>

An adjustment has been made to the school fees for both the comparative figures for 2015 and the 2016 figures. Additional explanation is given in note 9.

F H S TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

4. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds (as restated)
	£	£	2016 £	2015 £
Direct costs of education:				
Cost of lunches	79,598	-	79,598	48,797
Transport	18,518	-	18,518	24,466
Trips	52,720	-	52,720	44,273
Exam fees	12,837	-	12,837	13,987
Duke of Edinburgh	607	-	607	-
Prom night	2,680	-	2,680	1,592
Tennis Centre costs	15,480	-	15,480	20,430
Science equipment	1,822	-	1,822	3,191
Photocopying	6,181	-	6,181	8,075
Sports transport	7,396	-	7,396	6,216
Year Book	2,262	-	2,262	2,411
Bad Debts	(27,932)	-	(27,932)	62,025
	<u>172,169</u>	<u>-</u>	<u>172,169</u>	<u>235,463</u>
Staff costs:				
Staff salaries	678,447	-	678,447	637,198
Social security costs	48,485	-	48,485	41,575
Staff pension costs	83,834	-	83,834	70,686
Staff training	910	-	910	318
Peripatetic staff	13,863	-	13,863	11,407
Travel	-	-	-	58
	<u>825,539</u>	<u>-</u>	<u>825,539</u>	<u>761,242</u>

F H S TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

	Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015 (as restated)
	£	£	£	£
Advancement of education:				
Post and stationery	4,681	-	4,681	5,599
Computer costs	20,289	-	20,289	20,299
Advertising	21,762	-	21,762	35,380
Subscriptions	4,710	-	4,710	7,637
Bank charges and interest	8,014	-	8,014	6,133
Depreciation	2,154	-	2,154	2,154
Sundry expenses	7,294	-	7,294	2,242
	<u>68,904</u>	<u>-</u>	<u>68,904</u>	<u>79,444</u>
Premises costs:				
Rates	6,532	-	6,532	6,105
Insurance	15,788	-	15,788	15,663
Light and heat	15,260	-	15,260	15,775
Repairs	13,996	-	13,996	12,718
Cleaning	18,494	-	18,494	17,275
Trade waste	2,520	-	2,520	2,295
Depreciation	10,800	-	10,800	10,800
	<u>83,390</u>	<u>-</u>	<u>83,390</u>	<u>80,631</u>
Total cost of charitable activities	<u>1,150,002</u>	<u>-</u>	<u>1,150,002</u>	<u>1,156,780</u>

5. GOVERNANCE COSTS

	Total Funds 2016	Total Funds 2015 (as restated)
	£	£
Auditors remuneration	-	1,040
Other professional fees	2,971	2,200
	<u>2,971</u>	<u>3,240</u>

6. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:-

	2016 £	2015 £ (as restated)
Depreciation	12,954	12,954
Auditors remuneration:		
- audit of the financial statements	-	1,040
Independent examiners remuneration	-	-
	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

7. STAFF COSTS

	2016 £	2015 £
Wages and salaries	678,447	637,198
Social security costs	48,485	41,575
Pension costs	83,834	70,686
	<u>810,766</u>	<u>749,459</u>

The school participated in the Teachers' pension Scheme ("the TPS") for its teaching staff. The pension charge for the year included contributions payable to the TPS of £83,834 (2016: £70,686).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. 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 funded provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016, with any resulting changes to the employer rate to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:-

	2016 £	2015 £
£60,001-£70,000	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

7. STAFF COSTS (continued)

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:-

	2016	2015
Charitable activities	30	29
Management and administration of the charity	4	5
	<u>34</u>	<u>34</u>

8. PENSION COSTS

The charity operates a contributory pension scheme. It is a defined benefit scheme and contributions are charged in the statement of financial activities as they accrue. The charge for the year was £83,334 (2015 : £70,686).

9. PRIOR YEAR ADJUSTMENT

The school raises sales invoices in August each year for the Autumn term which commences in early September. These amounts are invoiced in advance, with the income treated as deferred income in the balance sheet.

At 31 August 2015 the calculation of the deferred income was understated by £52,701 which was identified during the preparation of the 2016 financial statements.

In order to ensure that the income and deficit position for each year correctly reflects the activity in each period an adjustment has been made to the comparative figures for 2015. This has reduced school fees in 2015 by £52,701 and increased the deficit for the year by the same amount.

The effect of this adjustment in 2016 is to increase school fees income by £52,601 with a corresponding reduction in the deficit.

10. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Total £
COST/VALUATION			
At 1 September 2015	890,000	10,807	900,807
Additions	-	4,980	4,980
At 31 August 2016	<u>890,000</u>	<u>15,787</u>	<u>905,787</u>
DEPRECIATION			
At 1 September 2015	200,800	6,462	207,262
Charge for year	10,800	2,154	12,954
At 31 August 2016	<u>211,600</u>	<u>8,616</u>	<u>220,216</u>
NET BOOK VALUE			
At 31 August 2016	<u>678,400</u>	<u>7,171</u>	<u>685,571</u>
At 31 August 2015	<u>689,200</u>	<u>4,345</u>	<u>693,545</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

10. TANGIBLE FIXED ASSETS (continued)

The freehold property was revalued by Cooke & Arkwright, Chartered Surveyors during December 1989 on the basis of depreciated reinstatement cost for their existing use.

The historic cost equivalent of land and buildings included at valuation are as follows:-

	2016	2015
	£	£
Cost	<u>448,111</u>	<u>448,111</u>
Accumulated depreciation	<u>49,055</u>	<u>47,093</u>

11. DEBTORS

	2016	2015 (as restated)
	£	£
Trade debtors	314,025	223,813
Prepayments and accrued income	<u>26,847</u>	<u>10,706</u>
	<u>340,872</u>	<u>234,519</u>

12. CREDITORS: Amounts falling due within one year

	2016	2015 (as restated)
	£	£
Bank loans and overdrafts	368,613	152,679
Trade creditors	31,574	31,119
Accruals and deferred income	299,849	239,703
Tax and social security	<u>14,824</u>	<u>11,967</u>
	<u>714,860</u>	<u>435,468</u>

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the charity.

The total secured liabilities at 31 August 2016 were £368,613 (2015: £152,679).

13. FINANCIAL COMMITMENTS

The company had the following annual operating lease commitments at 31 August 2016:-

	Other £
Leases expiring between 2 and 5 years	<u>4,551</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

14. UNRESTRICTED INCOME FUNDS

	General Reserves £	Revaluation Reserve £	Total £
Balance brought forward as previously stated	(33,361)	401,683	368,322
Prior year adjustment	(52,701)	-	(52,701)
Balance brought forward as restated (Deficit) for the year	(86,062) (154,516)	401,683 -	315,621 (154,516)
Transfer between reserves	1,918	(1,918)	-
Balance carried forward	<u>(238,660)</u>	<u>399,765</u>	<u>161,105</u>

The revaluation reserve fund is recognised by the Companies Act and represents the amount by which land and buildings exceed their historical cost.

Designated funds are reserves fund for the provision of school services as agreed by the Trustees. These have now been transferred to the General reserve during the year.

The prior year adjustment is explained in note 9.

15. RESTRICTED FUNDS

	At 1 Sept 2016 £	Balance Resources £	Incoming/ Outgoing Resources £	Transfers £	At 31 August 2016 £
Oakleigh House rent	<u>177,750</u>	<u>-</u>	<u>-</u>	<u>(27,000)</u>	<u>150,750</u>

Oakleigh House rent:

Income received in respect of rent paid in advance by Cognita for the period ended 2 April 2022.

The transfer represents the rent for the year to 31 August 2016 transferred to general reserves.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Total Funds 2016 £	Total Funds 2015 (as restated) £
Tangible fixed assets	685,571	693,545
Current assets	341,144	235,294
Current liabilities	(714,860)	(435,468)
Total net assets	<u>311,855</u>	<u>493,371</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2016

17. TAXATION

As a registered charity Ffynone House School Trust Limited is exempt from tax on income and gains, to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity (2015: Nil).

18. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees received any remuneration during the year (2015: £Nil).

The trustees paid the following fees to the company in respect of their children who attended the school.

	£
Mr D A Rowe	<u>9,866</u>

The fees paid by the trustees are on the same basis as those paid by other parents.

As at the 30 August 2016, fees owed to the Trust by Trustees amounted to £0.

19. COMPANY LIMITED BY GUARANTEE

Ffynone House School Trust Limited is a charitable company, limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceased to be a member.

20. GOING CONCERN

The trustees (directors) are aware that the unrestricted reserves show a deficit balance at 31 August 2016.

The financial performance has improved since August 2016 with an increase in pupil numbers and the Trustees are confident that although a deficit will still be shown for 2017, it will be reduced from 2016. Further, forecasts prepared by the Trustees indicate that the 2018 financial year will show a break even position.

The company is dependent on its bank for their continued support. The Trustees met with the bank in July 2017 following which the bank confirmed their ongoing support in terms of an increased overdraft facility.

Based on the improved financial performance and the support of the bank the Trustees are satisfied that the basis on which the financial statements have been prepared is reasonable.